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Pretoria Tightens Lid on Fighting

2 Factions Vow Peace Accord Will Be Signed

By David Ottaway
Washington Post Service

JOHANNESBURG — South Africa imposed special security measures Monday on four black townships around Johannesburg after the worst outbreak of factional violence here this year. At least 57 people were killed and 84 wounded on Sunday and Monday.

Law and Order Minister Hernus Kriel, seeking to stem the bloodshed, declared that Thokoza, Katlehong, Vosloorus and Tembisa were unrest areas, giving policemen special powers and banning the carrying of dangerous weapons in public.

Political and religious leaders called repeatedly for a halt to violence, while both the African National Congress and the Inkatha Freedom Party, the two main factions involved in the fighting, pledged to go ahead with the signing on Saturday of a national peace pact.

"We're going there to sign and we hope that all the other parties are going there with the same intention," said the ANC president, Nelson Mandela, at a news conference on Monday.

Residents of many of the townships remained jittery, and 17 commuters were injured jumping off a moving train in Soweto when they panicked after hearing rumors that armed Inkatha supporters were aboard and about to attack.

Rumors that more attacks were being planned by both sides in retaliation for earlier deaths were rife, with both ANC and Inkatha officials expressing concern that more serious violence was possible.

Mr. Mandela described an ambush of Inkatha marchers by three unknown gunmen in Thokoza township on Sunday, in which 23 people were killed, as a "deliberate provocation" to renew fighting and sabotage the peace convention.

The ambush, the worst massacre of Inkatha members on record, touched off clashes in and around Johannesburg as Inkatha supporters sought to retaliate. Pro-ANC groups also went on the offensive. By Monday morning, the police reported that an additional 24 people had died, about half of them in

See CLASHES, Page 4

The Associated Press

Soweto women grieving over relatives killed as black factions battled with guns, grenades and knives near Johannesburg.

Next, It's Tadzhikistan

Another Republic Breaks Away

The Associated Press

MOSCOW — The Central Asian republic of Tadzhikistan declared independence from the Soviet Union on Monday and called a presidential election for Oct. 27.

The independence declaration by a special session of the republic's parliament was largely symbolic, given the decision last week to transform the Soviet Union into a confederation of sovereign states.

"We can't lag behind other republics," a parliamentary spokesman, Aleyev Abdodezhabad, said. "Everybody is declaring independence so we are as well."

A total of 12 of the 15 republics have now formally broken with Moscow or announced their intention to secede.

Tadzhikistan, which borders on Afghanistan and China, adopted a sovereignty declaration last year, giving its laws priority over the Soviet Constitution. The republic of about 5 million people grows cotton, grain and a variety of fruit and vegetables. It also has deposits of coal, oil, lead, zinc and other metals, but its industrial base is weak.

Tadzhik lawmakers, meeting in the republic's capital, Dushanbe, also declared Sept. 9 to be a holiday known as Independence Day. They renamed Lenin Square in central Dushanbe as Freedom Square.

The independence resolution also says that Tadzhikistan has a right to a share in the Soviet gold, diamond and hard-currency funds and will pursue its own financial, credit and pricing policies, Tass reported.

Only Russia, Kazakhstan, Armenia and Turkmenistan have yet to declare outright independence from the Soviet Union. Armenia has scheduled an independence referendum for later this month.

Moscow Puzzler: Who's in Charge?

If There Is a Helmsman, Soviets Ask, Where Is He Steering the Country?

By Serge Schmemann
New York Times Service

MOSCOW — Who is leading the country? And where?

As the three-week storm raised by the coup gave way to the first chills of autumn and the country entered the first week of what is now officially dubbed the "Transitional Period," a flurry of questions seemed to float onto the land.

These headlines were in Monday's Pravda alone: "Does the Union Have a Future?" "What Now With the Party?" "What Are

NEWS ANALYSIS

We Guilty Of?" "How Can We Live Without a Union?"

The banner headline of St. Petersburg's snappy Rush Hour newspaper paraphrased a popular revolutionary song: "We've All Left the Union. For Where?"

The most troubling questions were about the State Council, comprising President Mikhail S. Gorbachev and republican leaders, to which the national legislature precipitously granted sweeping powers last week.

Most seemed to agree that the circumstances had left no real choice. But a long experience with authoritarian rule by small cliques seemed to raise disquiet.

"In general, I'm troubled about this council by which the presidents rule, which itself decides how it will work, whose decisions are binding," said Anatoli A. Denisov, a St. Petersburg scholar and member of the Congress of People's Deputies. "You must agree it smells of a group dictatorship."

Nezavisimaya Gazeta, one of the most authoritative young newspapers in Moscow, wrote: "The country finds itself hostage to a 'round table' of presidents, a chess board at which 11 people play out their game. There are neither spectators nor a referee. And if there was a referee, it would be meaningless — the game is played without rules."

Such expressions of doubt were coupled with a disunct mood of hope roused by the sense that the old Communist dynasty was really gone, and that the threatening tumult of the last three weeks had been arrested before it led to mass chaos. There was the hope, too, that the State Council would really be only a transitional stage to the formation of a genuinely confederate state.

Grigori A. Yavlinsky, the free-market economist now charged with drafting a new plan of economic cooperation and reform, argued in a broadcast interview that "the presidents" would have to seek the consent of the weak new parliament because otherwise they would never succeed in gaining public approval for the painful economic measures they had to take.

Alexander Y. Bovin, a veteran commentator for Izvestia, likewise seemed certain that the nation was embarked on a transitional period, and that there was no turning back.

"The transition has only begun," he said. "But we're a patient society, we're used to big changes. There's even some sense of optimism, that things are going forward. The newspapers are really free now; there's a real freedom of the press.

"These republics breaking away don't worry me at all. This was the last great empire, and it fell apart as it was bound to, and this will continue a couple of decades. We all lived in the same small room and got sick of each other, and at last we have our own small rooms and can be free. After a few years, economic factors will weigh in and we'll start a new effort to draw together."

The first meeting of the State Council, held Friday, seemed to support both the disquiet and the hope.

A brief communiqué on the session, which gave only a list of participants and the information that "a broad range of issues was examined at the meeting," echoed the

See UNION, Page 4

Moscow Plays Host To Forum On Rights

For First Time, Confrontation Is Not on Agenda

By Craig R. Whitney
New York Times Service

MOSCOW — An international human-rights conference in Moscow will open Tuesday in a world transformed.

The Conference on Security and Cooperation in Europe brings together foreign ministers from 35 nations, including the United States, Canada and Albania, as well as the Vatican, and they will admit three more — from Latvia, Lithuania and Estonia, the newly independent Baltic states — into their ranks, probably Tuesday morning, according to Soviet officials.

Though some Western countries still have concerns about the state of human rights in what used to be the Soviet Union, this is not expected to be an East-West confrontation like every other such gathering since the security conference first put human rights on the international agenda in Helsinki in 1975.

The Helsinki conference spawned human-rights groups in the Soviet Union and the countries of Eastern Europe that later became the nuclei of the democracy movements now in ascendancy or in power in almost every country of the former Soviet bloc.

In the past, and even at the last Helsinki human-rights conference in Copenhagen last year, the Soviet authorities here thought that concern about human rights here was nobody else's business.

But this year, Russian and Soviet officials seem positively eager for interference in their domestic affairs by the Moscow "Conference on the Human Dimension," which will end on Oct. 4.

"We are arriving at the conclusion that national guarantees in this area are not sufficient," the new Soviet foreign minister, Boris D. Pankin, said. "So we have to review the principle of noninterference in affairs of other governments."

The chairman of the U.S. Helsinki Commission, Representative Steny H. Hoyer, Democrat of Maryland, described this statement Monday as "a radical change, consistent with the radical changes that are occurring in this country."

With a former Soviet political prisoner, Sergei Kovalyov, now co-chairman of the Russian Republic's delegation to the conference, the concern is not so much about Moscow as about what some of its fractious vassal republics, in a surge of nationalistic fervor, are doing to ethnic minorities on their territories.

Georgia, the Caucasus republic headed by another former political prisoner, Zviad K. Gamsakhurdia, is at the top of the list, but some human-rights campaigners here say they hope that such Western security conference member states as Turkey will also come under scrutiny.

"In Georgia, we found a situation that I think one could express as chaos," said Mr. Hoyer, who led a 13-member congressional delegation there on Saturday. "No member of the delegation left Georgia feeling confident that democracy was in the ascendancy."

"We believe that there may be as many as 87 political prisoners there," said Senator Dennis DeConcini, Democrat of Arizona, co-chairman of the U.S. commission, without naming any but referring to Mr. Gamsakhurdia's arrest of some political opponents and South Ossetian separatist rebels.

Mr. DeConcini said Mr. Gamsakhurdia had denied holding political prisoners and had agreed to allow international human-rights monitoring groups like Helsinki Watch, Amnesty International, and the security conference itself to conduct a full investigation. The delegation also visited the Baltic states and Armenia.

"Everything's changed now."

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Dutch Plan on 'Two-Speed' Europe Faces Overhaul

By Charles Goldsmith
International Herald Tribune

BRUSSELS — The latest proposal on European Community monetary union faces a significant overhaul after several countries and the EC Commission sharply attacked it Monday as a flawed step toward a "two speed" Europe of rich and poor nations, diplomats said.

A plan by the Dutch EC presidency to allow as few as six countries to form a currency union "contradicts the basic principles of our Community," Guido Carli of Italy said at a meeting of EC finance ministers.

"An economic and monetary union of two speeds is not politically acceptable," added the EC Commission president, Jacques Delors of France.

The finance ministers' meeting contrasted sharply with a gathering of top negotiators from the 12 EC countries last week, at which only Greece registered strong objections to the Dutch proposal.

Although few diplomats favored basic revision of a draft EC treaty, which has been painstakingly negotiated over many months, they said extensive fine-tuning was necessary in order to win acceptance for monetary union plans at a summit meeting of Community leaders in December.

They said Yugoslavia's fragmentation and the crumbling of central power in the Soviet Union have made it vital to complete work on the new treaty for signing in December.

Italy was joined in opposition by Portugal, France, Ireland and Greece, diplomats said. Germany expressed strong support for the Dutch plan's emphasis on close economic convergence.

A Dutch draft issued last week called for stringent conditions on price stability, budget deficits and interest rates in order for countries to join in a single currency.

"There is going to be a new paper from the presidency due to the huge opposition to the current paper," said the Danish economics minister, Anders Fogh Rasmussen.

Finance Minister Wim Kok of the Netherlands said after the meeting that the Dutch draft on

See EMU, Page 10

Kiosk

Iraqi Clashes With Kurds Reported

GENEVA (Reuters) — Serious clashes have broken out between the Iraqi Army and Kurds in northern Iraq in the last few days, the United Nations said on Monday.

Prince Sadruddin Aga Khan, the UN executive delegate overseeing humanitarian aid in the Gulf, called for maximum restraint so that Kurdish refugees could continue to return home. An aide said the information came from UN sources in northern Iraq.

General News

Senators in Manila voted to reject a U.S. bases treaty. Page 2.

Crossword Page 7.

Dow Close	
3,007.16	
Down	
4.47	

The Dollar In New York	
DM	1.6935
Pound	1.7323
Yen	134.62
FF	5.76

Croat Leaders Feel Pressure to Call Mobilization

By John Tagliabue
New York Times Service

NOVSKA, Yugoslavia — Leaders of Croatia's government are coming under mounting pressure to announce a general mobilization to oppose attacks by the Serb rebels and army units that have opened two new fronts since a cease-fire was signed a week ago.

Revealing mounting strains within the Croatia's government, Deputy Prime Minister Zdravko Tomac said at a news conference on Monday that the government was facing "immense pressure from the Croatian population even for a general mobilization, because of what is going on in Croatia."

Mr. Tomac was referring to reports of continued fighting along the blocked highway linking Zagreb and the Yugoslav capital, Belgrade, and around Kostajnica, on Croatia's southern border with Bosnia-Herzegovina.

But Mr. Tomac said the government also faced heavy international pressure for restraint, adding that "the government is actually balancing between these two pressures."

[Croatia's Interior Ministry declared 11 P.M-to-5 A.M. curfews in 29 municipalities in the crisis region out of a total of 110 Croatian municipalities, The Associated Press reported from Belgrade. The reason for the curfew — the first since World War II in Croatia — is "the critical situation which threatens public order," a ministry statement said.]

Croatian leaders have warned in the past that Zagreb would in effect declare war on Yugoslavia if the national army's units in the republic are not returned to their barracks and if the rebel Serbs who have brought large areas of Croatia under their control since the republic declared independence on June 25 are not brought to heel.

The deputy interior minister, Milan Brezak, said the fighting around Okucani and in Kostajnica, where Croatian militia face bands of army-backed Serb insurgents, was part of a campaign to dismember Croatia.

"It is clear that Serbia is trying to cut Croatia into several vertical strips, in order to force it into partition," he said.

Croatian officials conclude this because, while the guns have fallen silent along the Danube River in eastern Croatia, where only scattered skirmishing was reported, Serb guerrillas have begun funneling large amounts of men and materiel into the southern Croatia north of the Bosnian city of Bosanska Gradiska, and have stepped up their offensive just south of Zagreb, around Kostajnica.

The moves have come despite the start of a European Community-brokered Yugoslav peace conference Saturday, and redoubled

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With Europe's Satellite Loan, U.S. Could Avoid Some Heavy Weather

By William J. Broad
New York Times Service

NEW YORK — The United States is borrowing a European weather satellite to fill a potential gap in photography from space that would leave American forecasters without vital pictures to track storms and hurricanes.

It is the first time that an operating spacecraft has been lent to avert a crisis, and paradoxically, it is the United States, which pioneered weather satellites, that is asking others for help.

The European satellite is now in position midway between Europe and the United States, where it is tracking storms that batter both continents, and the U.S. government is negotiating for its exclusive use. This would allow the European satellite, which is a spare, to be moved farther west to photograph the entire United States if the sole American high-altitude weather satellite now in orbit should fail.

But some members of Congress see the $10 million deal as risky because the European craft, like the American one, is relatively old and increasingly likely to fail. This has led them to call for added remedies based on American technology. The lawmakers advocate buying a new satellite, already under construction in California, that would cost $100 million or more. Its builder is Hughes Space & Communications Group, and it is now destined as a backup for the Japanese government.

High-altitude weather satellites are the unsung heroes of the space age. They produce the global views seen in newspapers and on television and allow forecasters to track destructive storms and predict their paths days in advance. Ultimately, they save lives and reduce property damage.

The European craft, or some other gap filler, is needed because a $1.7 billion fleet of American weather satellites now under construction by the National Aeronautics and Space Administration is flawed and years behind schedule. This is forcing the nation to rely on a single high-altitude weather craft when it usually has two. The five-year life span of the orbiting American satellite ends in February, although American officials hope it will last longer.

The European satellite, known as Meteosat-3, was built by a European industrial team headed by the French company Aerospatiale and was lofted in June 1988 by the European Ariane rocket. One of three weather satellites the Europeans now have in orbit, it has sent pictures to American forecasters since early August, and it played an important role in tracking the hurricane that hit the East Coast last month.

"Use of Meteosat is growing," said Earl L. Heacock, director of satellite operations for the National Oceanic and Atmospheric Administration, which runs the nation's weather eyes. "It's a good satellite, and we're happy to have it."

His agency is completing a deal with the Europeans to gain exclusive use of Meteosat-3 and move it farther west if the American weather satellite, GOES-7, suddenly fails. GOES stands for Geostationary Operational Environmental Satellites. Negotiations for exclusive use of Meteosat-3 began in July, and the deal is expected to be completed by the end of this month.

The deal appears to involve mostly goodwill on the part of the Europeans, who developed their weather satellites with substantial aid from American engineers and contractors.

For a cost to the United States estimated at $10 million, the Europeans would build a ground station at the U.S. weather agency's center at Wallop's Island, Virginia, to relay control messages to Meteosat-3. They would also oversee the craft's operation. This new station is needed because control signals generated by American ground units are incompatible with the spacecraft, and the European station in Germany would be too far away to control it.

Also under negotiation is the possibility that Europe would lend other surplus weather satellites to the United States. This could mean that the nation's most important weather photos for years to come could be generated by European craft.

Rate Prospects Depress Dollar

The dollar fell steeply against European currencies on Monday, extending its loss over the past two trading days to a sharp 4½ pfennig against the Deutsche mark.

Traders said the market was nervous about the possibility of cuts in U.S. interest rates after Friday's employment figures for August showed only modest growth in the economy. On Monday, a further sign of slow growth was reported, in the form of a 1.4 percent drop in consumer borrowing for July. (Page 9)

Missing Israeli Seen As Key to Ending The Hostage Crisis

By Patrick E. Tyler
New York Times Service

WASHINGTON — After hopes were raised last month by the release of two Western hostages, efforts to free the remaining 10 held by kidnappers in Lebanon have bogged down over the whereabouts of a captured Israeli navigator who is considered the linchpin to an overall settlement.

Lebanese kidnappers and their pro-Iranian sponsors have told UN officials in recent weeks that the Israeli, Captain Ron Arad, disappeared during an Israeli raid on Lebanon nearly two years ago. They say that he is "lost" and that no group acknowledges holding him.

But United Nations officials are highly skeptical of this account. They say they believe the Israeli is still alive, and they have stepped up efforts to determine his whereabouts in hopes of meeting Israeli demands for a full accounting of seven missing servicemen in Lebanon.

Of the seven, only Captain Arad is widely believed to be still alive.

UN officials remain hopeful that Captain Arad is still in captivity as one of the final human cards to be played in the leveraged exchange for Arab prisoners, including Sheikh Abdul Karim Obeid, the Shiite Muslim cleric who was kidnapped by Israel in a July 1989 commando raid on the Lebanese village of Jibchit.

Kidnappers holding Western hostages in Lebanon have indicated they will let their captives go if Palestinian prisoners in Israel are set free. Israel says it is ready to go along, but first it wants an accounting of its missing men.

As the UN secretary-general, Javier Pérez de Cuéllar, prepares to travel to Tehran in a signal that the West supports Iran's emergence from a decade of revolutionary isolation, the status of Captain Arad has become a potentially serious obstacle in diplomatic efforts to free the Western hostages.

Israeli radio reported last week that Captain Arad had been sold by his captors to Iranian Revolutionary Guard forces in Lebanon for $500,000. The Iranian Foreign Ministry denied the report.

A Kuwaiti newspaper reported Saturday that Captain Arad had been flown to a military camp near the Iranian holy city of Qum about four months ago and was being held there. The Associated Press said. The paper, the Voice of Kuwait, quoted Iranians as saying that mediators were making contacts aimed at freeing Captain Arad.

Iran's UN representative, Kamal Kharrazi, said in an interview that the Shiite Muslim Amal organization had been in control of Captain Arad from the time he was captured in October 1986 until sometime in 1989.

Mr. Kharrazi said that Amal's security chief, Mustafa Dirani, had been Captain Arad's jailer and that Mr. Dirani had reported that during an Israeli raid on his base in the Bekaa region of eastern Lebanon, Amal forces had left Captain Arad secured but unattended and returned to find him missing.

Referring to Mr. Dirani's account, Mr. Kharrazi said, "His story is very strange, and eventually Amal has to answer what has happened to this Israeli."

Shamir Renews Demand on PLO Exclusion

Agence France-Presse

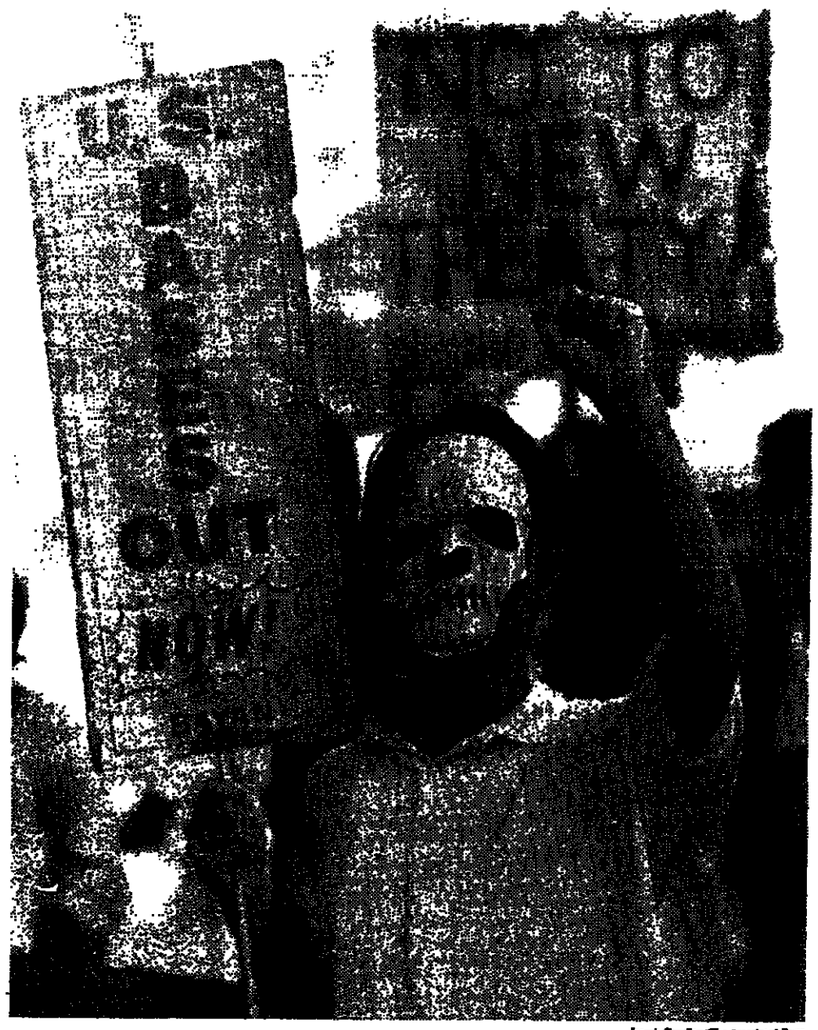
JERUSALEM — Prime Minister Yitzhak Shamir of Israel threatened Monday to withdraw his agreement to take part in a Middle East peace conference if the question of Palestinian representation remained unresolved.

"If Israel is not satisfied on the matter of Palestinian representation at the peace conference, our 'yes' to Baker will not really be a 'yes,'" he told Voice of Israel radio. He was referring to the forum, tentatively scheduled for October, and for which Secretary of State James A. Baker 3d has been laying the groundwork.

His warning came days before Mr. Baker is due to visit Israel and the region on his seventh tour to iron out the remaining wrinkles before the conference proposed by Washington and by Moscow.

"We must first accept the makeup of the Palestinian delegation. Washington is completely in agreement with us," he said in the interview marking Rosh Hashana, the Jewish New Year.

Israel demands that the Palestine Liberation Organization be excluded from the process, along with residents of East Jerusalem and the Palestinian diaspora. The PLO, by contrast, is insisting that it alone be empowered to select the Palestinian delegation.



Joseph Capellan/The Associated Press

A student protester during a demonstration on Monday in front of the U.S. Embassy in Manila.

Senators In Manila Vote No on Base Treaty

By Philip Shenon
New York Times Service

MANILA — A majority of the Philippine Senate declared its opposition Monday to a 10-year extension of the U.S. lease on the Subic Bay Naval Base, raising the threat that the United States may soon be forced to withdraw from its largest military installation in Southeast Asia.

But the struggle over the future of Subic and the continued presence of the thousands of U.S. troops in the Philippines appeared to be far from over, despite the nonbinding public rejection of the base treaty by 12 members of the nation's 23-member Senate.

A formal vote on the treaty is expected in the Senate as early as this week.

Under the Philippine Constitution, the lease extension for Subic would require a two-thirds vote in the Senate for ratification — a margin impossible to imagine if the vote were held now, but perhaps not impossible to obtain several weeks or a year from now. A new Senate will be elected next spring.

[President George Bush said he had no plans to reopen negotiations, The Associated Press reported from Washington.

["We've made our best offer," Mr. Bush said. "I don't know how it's going to come out, but there'll be no change on the part of the United States."]

President Corazon C. Aquino has called on supporters of the military pact, which was hammered out this summer between her negotiators and the United States, to join in a march on the Senate on Tuesday to convince Philippine lawmakers of the political risks they face by voting against the treaty.

Commercials broadcast repeatedly on Manila television stations called for a huge turnout as a means of "letting the voice of the silent majority be heard."

The Subic base is worth hundreds of millions of dollars each year — and thousands of jobs — to the Philippines economy. Public-opinion polls suggest that the majority of Filipinos support the new treaty, even if some of the nation's most prominent politicians and intellectuals do not.

The 12 senators made their opposition to the treaty known in the form of a resolution describing the new lease on Subic as "a one-sided, unequal agreement that does not provide for reciprocal rights" and that tends to perpetuate "Philippine dependence on the United States for defense and security."

After the resolution was submitted to the Senate's foreign relations committee, the Senate president, Jovito Salonga, said that "for all practical purposes, the treaty is defeated."

Yet while the base agreement would now appear to fall far short of the required two-thirds vote, it is believed in some political and diplomatic circles that the treaty will eventually be approved in one form or another, and that the 7,000 Americans now assigned to Subic will remain.

Although the current lease agreement for the sprawling base runs out next week, the United States could invoke a clause permitting Americans to remain at Subic for another year — an additional year to reach a modified agreement on the base.

In a televised address to the nation, Mrs. Aquino, whose term ends next year and who appears ready to make ratification of the base agreement the last great battle of her lame-duck administration, declared that it would be "ill-advised, even foolish," for the Senate to reject the treaty.

Under the base agreement, the United States will pay the Philippines $203 million annually for a 10-year extension on the lease for Subic, a massive repair and logistics center for the United States Seventh Fleet.

The United States is now in the process of abandoning Clark Air Base, the other major major American military facility in the Philippines, after it was smothered by volcanic ash released in last June's eruption of nearby Mount Pinatubo.

In an interview with CNN, Defense Secretary Dick Cheney said that American troops would be withdrawn, probably to the U.S. island territory of Guam, if the agreement over Subic was not extended.

And Now, the New Sununu

After a Reclusive Summer, He Returns a Bit Subdued

By Ann Devroy
Washington Post Service

WASHINGTON — Hunkered down and nearly invisible for three months, White House Chief of Staff John H. Sununu has now launched his public comeback.

Mr. Sununu has shunned public appearances and kept himself out of camera range all summer as he waited for controversy to subside over his taxpayer-funded travel and his combativeness. On Sunday, Mr. Sununu, shorn of some but not all of his characteristic pugnaciousness, appeared on the NBC News program "Meet the Press," his first such appearance since June 14.

Asked what the months of controversy had taught him, Mr. Sununu said the lesson was that the White House "is always under scrutiny."

But he asserted that neither his effectiveness nor his relationship with President George Bush had suffered in the weeks of stories about his travel aboard government planes and his chauffeured car.

Officials said Mr. Sununu's appearance was a deliberate move to resurface as the administration's primary domestic and political spokesman as domestic issues go to the forefront, beginning with hearings this week on the nomination of Judge Clarence Thomas to the Supreme Court, and as planning for the 1992 campaign begins in earnest.

Mr. Sununu said Sunday that he expected to be the key player in both the domestic agenda and the re-election campaign. "I will work my hardest to run the White House well and to get the president re-elected," he said.

He said he would remain chief of staff this year and establish a campaign structure with "good coordination" with the White House.

An administration source said Mr. Sununu met with Mr. Bush at the president's vacation home in Kennebunkport, Maine, two or three times a week in August but had spent most of the month at the home he retains in New Hampshire, his home state, "sorting out where to go from here."

The source, who said Mr. Sununu "drove himself" to Maine from New Hampshire rather than use a driver and government car as in previous years, described Mr. Sununu as "calmer, more positive, less caught in a bunker mentality" than when summer began.

Another source described Mr. Sununu as intent on "staying away from a hot stove" by avoiding circumstances that may raise questions about his own ethics but not persuaded that any fundamental changes are needed in his operating style or the White House operation.

One hint that Mr. Sununu has taken his troubles seriously was the appointment last week of Timothy J. McBride as his executive assistant. Mr. McBride, now assistant secretary of commerce for trade development, was Mr. Bush's personal aide for five years and is known as a Bush loyalist without reservation.

Mr. McBride replaces Edward M. Rogers, a former aide to Lee Atwater who was educated in the Republican operatives' school of tough politics and press manipulation. Mr. McBride, experienced in neither politics nor policy, is being referred to as either Mr. Bush's "eyes on Sununu" or Mr. Sununu's signal to Mr. Bush that, as one official put it, "political game-playing will be kept inside Bush's boundaries."

Mr. Sununu remains a feared figure in Republican circles. Many Republicans say they believe he will be the main arbiter of the roles in Mr. Bush's 1992 re-election campaign and of access to the White House.

He was accused by some this spring of trying to exclude longtime loyalists of Mr. Bush from a Camp David political meeting, and when Mr. Bush, at the same session, revealed a Maine post office box number where messages to him could be sent directly, some suggested Mr. Bush was offering a route to him around Mr. Sununu.

"Absolute baloney," one official said. "Anyone can get to Bush as easily as they want, and Sununu is too smart to try to blacklist any of the president's friends."

Administration sources describe Mr. Sununu as somewhat chastened by the controversy but unpersuaded that he must alter a strong-willed style that has relied heavily on intimidation. "He hasn't undergone a personality transplant," an official said.

But several sources described Mr. Sununu as unusually low-key. "You can tell he is consciously trying to control what he says," said the official, predicting, nonetheless, that "Sununu is Sununu: It can't last."

Economic Turnaround Gives Peronists Victory

By Nathaniel C. Nash
New York Times Service

BUENOS AIRES — Five months of economic stability and the lowest inflation rate that Argentina has seen in 25 years appear to have given the Peronist party of President Carlos Saúl Menem a decisive victory in midterm elections.

"These results are really gratifying," Mr. Menem said Monday. "This wasn't a plebiscite but a vote of confidence for the government's economic, political and social policies. We will step them up to establish stability for good."

Based on early returns Monday, the opposition Radical Civic Union of the former president, Raúl Alfonsín, retained the governorship in the province of Córdoba, while Peronist gubernatorial candidates appeared to be winning in eight other provinces.

In two important races, for the governorships of Santa Fe and Tucumán, Radical and Peronist candidates were neck and neck.

The party founded by the strongman Juan Domingo Perón, who died in 1974, appeared to be increasing its majority in the lower house of Congress. And in elections for local governments, Peronist candidates seemed to be dominating as well, according to early results.

Political experts said that in the last month, as the Buenos Aires Stock Exchange has soared and news of low inflation has spread, the country has overlooked many scandals that have plagued Mr. Menem, including the indictment of his sister-in-law, Emira Yoma, and other top aides on charges of laundering drug money.

When Mr. Menem came to office in mid-1989, inflation was running at almost 5,000 percent a year, the country was in a deep recession and its currency was losing value daily.

In 1990 inflation was running at 1,000 percent, but early this year, when Mr. Menem appointed Domingo Cavallo as economy minister, a plan devised by Mr. Cavallo began to bring order out of the chaos. Mr. Cavallo stabilized the currency, reduced tariff barriers and liberalized labor laws. He also plans to privatize money-losing government companies and has reopened relations with the International Monetary Fund and World Bank.

The Peronists' biggest victory was for governor of Buenos Aires, where Eduardo Duhalde, Mr. Menem's vice president, won by about 20 percent of the vote.

Heathrow 747 Forced Back

Agence France-Presse

LONDON — A British Airways Boeing 747 bound for Tokyo with 362 passengers was forced to turn back to Heathrow International Airport three hours after takeoff Sunday when a small crack appeared in the outer skin of a passenger window, the company said. A spokesman said there had been "no danger to the aircraft whatsoever."

Thais Say Reverser Caused Crash

Bangkok's Final Investigation Reaffirms Initial Finding

Reuters

BANGKOK — The failure of an engine thrust reverser caused the crash of an Austrian airliner over Thailand in May, killing 223 people, the chief accident investigator said Monday.

"We reaffirm that the thrust reverser caused the crash," the Thai air chief marshal, Suthep Theparak, said in Bangkok. He said this was the formal finding of Thai investigators into how a Lauda Air Boeing 767-300ER crashed in central Thailand on May 26.

But he added that an official announcement would not be made until Sept. 18 in the United States, after the investigators had met officials of the National Transportation and Safety Board, the U.S. agency that investigates crashes.

The safety board said in July that there was evidence that the reverser on the engine's left engine could have been deployed as it climbed above 24,000 feet (8,000 meters), about 15 minutes after takeoff from the Bangkok airport. The thrust reverser is designed to slow the aircraft on the ground. It is part of the engine cowling made by Boeing, not of the engine, made by Pratt & Witney.

Aviation officials in the United States said Sunday that the Federal Aviation Administration would ask major aircraft makers to study the designs of thrust reversers after the crash investigation.

■ Airbus Rejects Problem

Airbus Industrie has studied its thrust reverse systems and concluded that a similar problem as that cited in the Lauda crash jet could not happen with its aircraft. Reuters reported from Paris. An Airbus spokesman said Monday that "basically, we found that in our view the problem could not occur."

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John Crosby Dies at 79, Former Radio-TV Critic

Washington Post Service

WASHINGTON — John Crosby, 79, a retired newspaper reporter and syndicated columnist who was an early and esteemed radio-television critic, died of cancer on Saturday at his home in Esmont, Virginia.

Mr. Crosby wrote from New York, Paris and London before retiring and moving to Esmont in 1977.

From 1946 to 1965, he was the radio-television critic of the New York Herald Tribune. His column, syndicated beginning in 1949, resulted in his being widely recognized as one of the leading media critics. At the end of his first years in syndication, the column was appearing in 29 papers and being seen by some 4 million readers.

From 1965 to 1975, he wrote a column for the Observer of London. He also wrote a column in the mid-1960s for what is now the International Herald Tribune, in effect swapping jobs with the columnist Art Buchwald when Mr. Buchwald moved from Paris to the United States. The column's viewpoint was that of an American in Europe.

Mr. Crosby was the author of two collections of columns and more than a dozen novels, including "Wingwalker," published in 1989. He also contributed stories to such magazines as Life, Look, Ladies' Home Journal and Playboy.

John H. Lawrence, 87, Radiation Therapy Pioneer

New York Times Service

Dr. John H. Lawrence, 87, a discoverer of the dangers of nuclear radiation who went on to pioneer its use in diagnosing and treating cancer and other diseases, died Saturday at Alta Bates Hospital in Berkeley, California, of complications from a stroke.

Dr. Lawrence founded the Donner Laboratory, the world's first research laboratory devoted to nuclear medicine. The center was affiliated with the Lawrence Berkeley Laboratory, directed by his older brother, Ernest O. Lawrence, the Nobel laureate physicist who developed the cyclotron. The brothers were scientific collaborators and leaders in their specialties.

In 1936, Dr. Lawrence began experimenting with isotopes and high-energy particle beams as treatments. In 1937, he used phosphorus-32 isotopes to treat polycythemia vera, a disorder of the blood and bone marrow.

Dr. Lawrence and his colleagues began using neutron beams on cancer in 1939. That same year they also researched iron-59 in blood metabolism and disease. He and co-workers discovered the narcotic properties of xenon gas. His laboratory also had success with cyclotron beams to treat acromegaly and Cushing's disease and several other illnesses.

Edwin M. McMillan, 83, Co-discoverer of Plutonium

New York Times Service

Edwin Mattison McMillan, 83, a pioneer in modern chemistry and physics who won the Nobel prize in 1951 as a co-discoverer of plutonium and neptunium, died Saturday in El Cerrito, California, of complications from diabetes.

Mr. McMillan, who headed the Lawrence Berkeley Laboratory in Berkeley, California, for 15 years until his retirement in 1973, helped create the elements by bombarding lighter elements with subatomic particles.

Later, he developed the concept that enabled a major expansion in the capacity and sophistication of particle accelerators. The 1963 Atoms for Peace Award was given jointly to Mr. McMillan and a Soviet theorist who independently developed the same idea.

During World War II, Mr. McMillan worked on the development of radar, sonar and the atomic bomb. Last year he was awarded the nation's highest scientific honor, the National Medal of Science.

WORLD BRIEFS

Major Hints Election Isn't Imminent

LONDON (Reuters) — Prime Minister John Major said Monday that Britain was clearly emerging from a yearlong economic recession and gave his strongest hint to date that a general election was not imminent.

Mr. Major sought to dampen press speculation that he would call a November poll. His government received more good news on Monday with the publication of a survey showing Britain's leading business executives are more confident of an economic recovery than at any time in the last two years, except for a post-Gulf War surge.

"There's no doubt now that the economy is coming out of the recession and getting better," he told BBC radio during a visit to Huntly, Scotland, near Aberdeen. "I think it will continue to get better as month succeeds month."

Greece Jails 7 Newspaper Editors

ATHENS (AP) — Seven newspaper editors were convicted and sentenced to five- and 10-month jail terms Monday for publishing terrorist statements to challenge a law they say imposes censorship.

It was the first time in modern Greek history that so many editors have been convicted and sentenced for breaking a press law. The editors, whose newspapers represent half the country's readership, refused to appeal and instead chose to be jailed. They also refused the alternative of buying off their sentences with fines, as allowed in some cases.

Hundreds of people, including journalists, applauded and cheered as six of the editors were driven away from the court by police. The managing editor of the liberal daily Eleftherotypia, Seraphim Pyntanides, is abroad. A spokesman said he would join the other editors in jail when he returns.

China Frees Hong Kong Merchant

HONG KONG (AP) — China on Monday freed Lo Hai-xing, a Hong Kong businessman who served 23 months of a five-year prison sentence on charges of trying to help pro-democracy activists escape from the country. Mr. Lo, 42, was freed in Canton four days after Prime Minister John Major ended a trip to China and Hong Kong.

Mr. Lo said he was in decent physical shape but needed a checkup for his weak heart. He said he would return to Hong Kong on Tuesday. Chinese officials last week said Mr. Lo would be released early for "medical reasons."

Mr. Lo was arrested in Guangdong Province, across the border from Hong Kong, in October 1989 and sentenced in March 1991 on charges of trying to smuggle out leading dissidents. Mr. Lo's family members say his "crimes" were confined to passing letters from activists in Hong Kong to colleagues in China.

Prague to Ban Communist Officials

PRAGUE (AP) — The Czechoslovak government proposed Monday that all of the former Communist regime's top officials, secret agents and paramilitary troops be banned from holding state jobs.

Deputy Prime Minister Pavel Rychetsky said the move was justified by "the need to protect democracy." He said a draft law would be submitted soon to parliament, where it was expected to be approved despite the opposition of the Communists, who hold 47 of 300 seats.

The proposed ban concerns all elected or appointed positions in the state political and economic administration, the courts, the army, the police and the state media. Candidates for positions of ministers, their deputies and advisers, as well as ministerial department heads, will have to produce written proof that investigations have revealed no links to human rights violations under the Communist regime.

Grand Jury Indicts Tyson for Rape

INDIANAPOLIS (AP) — Mike Tyson, the former heavyweight boxing champion, was indicted Monday on charges of raping a teenage beauty contest contestant in July.

Mr. Tyson and his accuser, who is from the East Coast, testified before the grand jury, which ended its four-week investigation on Friday. Mr. Tyson was also charged with two counts of criminal deviate conduct and one count of confinement.

An 18-year-old Miss Black America contestant has charged that Mr. Tyson raped her in his hotel room on July 19. Mr. Tyson has denied the allegation.

For the Record

South Korea denied reports Monday that the senior Chinese leader, Deng Xiaoping, had called for full diplomatic ties between Seoul and Beijing. A Foreign Ministry spokesman in Seoul said there was "no truth" to the reports. *(Reuters)*

The London Underground admitted Monday that it forgot to switch off a high-voltage track before evacuating passengers from a train on July 26. The incident happened while the police were chasing two armed suspects on to the track. The police ordered 32 passengers on a stranded train to leave, fearing they might be taken hostage. *(Reuters)*

TRAVEL UPDATE

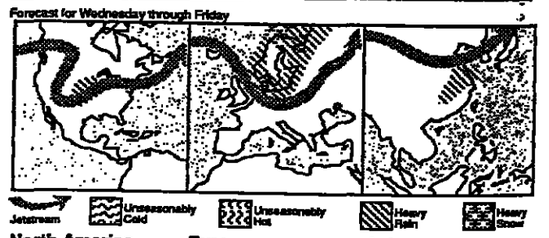
Numerous flights, including all those by Air Canada, were grounded Monday at Toronto's Pearson International Airport as striking government workers protesting a wage freeze held up the arrival of air traffic controllers. Grain shipments also were halted at dockyards across the nation. *(Reuters)*

The Staten Island Ferry landed thousands of commuters at a Coast Guard terminal on the tip of Manhattan on Monday, the day after a fire badly damaged the ferry's terminal. *(AP)*

Thousands of theatergoers in London may be left without tickets for West End shows after Keith Prowse Holdings Ltd., Britain's biggest entertainment ticket agency, called in receivers on Monday. *(Reuters)*

The Weather

Forecast for Wednesday through Friday



North America
Sunshine will brighten the Great Lakes region Wednesday, and clearing will shift to the Northeast along with cooling by Thursday. Showery downpours in the Plains will reach Chicago and Detroit by Friday. California will remain dry.

Europe
Stormy weather will occur in Scandinavia Wednesday through Friday with strong winds, rain, and even wet snow. London and Paris will have times of clouds and sunshine with only stray showers. Madrid will be sunny and warm.

Asia
Warm, dry weather will last through at least Thursday in Tokyo. While a few showers will dampen Beijing and Seoul, heavy rains should stay to the south and west. Scattered thunderstorms will break out in the tropical heat from Singapore to Hong Kong.

Europe

	Today High	Today Low	Wx	Tomorrow High	Tomorrow Low	Wx
Algarve	28/82	19/66	s	28/82	18/64	s
Amsterdam	21/70	12/53	pc	21/70	11/52	pc
Athens	29/84	17/62	s	29/84	16/61	s
Barcelona	29/84	18/64	s	31/88	19/66	s
Belgrade	25/77	14/57	s	26/79	14/57	t
Berlin	21/70	8/46	pc	21/70	8/46	sh
Brussels	23/73	11/52	pc	22/72	11/52	pc
Budapest	21/70	10/50	t	21/70	8/46	t
Copenhagen	14/57	7/44	r	17/62	8/43	sh
Costa Del Sol	33/91	17/62	s	33/91	18/64	s
Dublin	18/64	10/50	sh	18/64	11/52	pc
Edinburgh	17/62	8/46	c	18/61	7/44	c
Florence	28/79	13/55	s	26/79	13/55	pc
Frankfurt	23/73	13/55	pc	23/73	11/52	pc
Geneva	24/75	12/53	pc	24/75	12/53	pc
Helsinki	13/55	7/44	sh	10/50	6/43	r
Las Palmas	28/82	17/62	pc	29/84	18/64	pc
Leningrad	14/57	8/46	c	12/53	7/44	r
Lisbon	27/80	19/66	pc	28/82	20/68	pc
London	21/70	11/52	pc	21/70	11/52	pc
Madrid	32/89	17/62	s	32/89	18/61	s
Milan	24/75	13/55	s	24/75	12/53	pc
Moscow	18/64	9/48	sh	20/68	8/46	pc
Munich	22/71	11/52	pc	22/71	12/53	pc
Nice	24/75	15/59	s	25/77	15/59	pc
Oslo	13/55	7/44	r	13/55	8/46	pc
Paris	26/79	13/55	pc	26/79	14/57	pc
Prague	18/64	7/44	pc	18/64	7/44	sh
Reykjavik	9/48	6/43	pc	11/52	6/43	pc
Rome	27/80	17/62	s	27/80	17/62	pc
Stockholm	14/57	5/41	r	11/52	4/39	sh
Strasbourg	24/75	11/52	pc	24/75	12/53	pc
Tallinn	13/55	8/46	sh	10/50	6/43	r
Venice	25/77	13/55	s	26/79	13/55	pc
Vienna	21/70	12/53	s	21/70	12/53	t
Warsaw	21/70	10/50	pc	18/64	8/46	sh
Zurich	22/71	9/48	pc	23/73	11/52	pc

Middle East

Ankara	24/75	10/50	s	22/72	9/48	s
Beirut	32/89	21/70	s	32/89	22/71	s
Cairo	32/89	18/64	s	32/89	19/66	s
Damascus	32/89	15/59	s	33/91	16/61	s
Istanbul	23/73	14/57	s	24/75	14/57	s
Jerusalem	28/82	13/55	s	28/82	13/55	s
Riyadh	42/107	27/80	s	40/104	24/75	s

Oceania

Auckland	16/61	9/48	pc	16/61	8/46	pc
Sydney	23/73	14/57	sh	21/70	12/53	pc

Asia

	Today High	Today Low	Wx	Tomorrow High	Tomorrow Low	Wx
Bangkok	33/91	25/77	t	33/91	24/75	pc
Beijing	29/84	19/66	pc	29/84	18/64	pc
Hong Kong	31/88	25/77	sh	30/86	24/75	pc
Manila	32/89	26/79	pc	32/89	25/77	pc
New Delhi	32/89	25/77	pc	32/89	25/77	pc
Seoul	29/84	18/64	pc	29/84	17/62	sh
Shanghai	28/82	21/70	pc	28/82	20/68	pc
Singapore	32/89	25/77	pc	32/89	24/75	pc
Taipei	32/89	25/77	pc	31/88	24/75	pc
Tokyo	30/86	24/75	sh	30/86	23/73	sh

Africa

Algiers	32/89	22/71	pc	39/102	23/73	s
Cape Town	17/62	9/48	pc	17/62	8/46	po
Casablanca	29/84	22/71	s	33/91	22/71	s
Harare	31/88	21/70	pc	28/82	20/68	pc
Lagos	30/86	24/75	pc	29/84	24/75	pc
Nairobi	24/75	13/55	pc	24/75	13/55	pc
Tunis	33/91	20/68	s	33/91	19/66	s

Latin America

Buenos Aires	24/75	12/53	t	26/79	13/55	pc
Caracas	32/89	25/77	pc	31/88	25/77	pc
Lima	18/64	13/55	pc	18/64	12/53	pc
Mexico City	24/75	13/55	pc	25/77	14/57	pc
Rio de Janeiro	25/77	18/64	pc	26/79	19/66	pc
Santiago	20/68	6/43	pc	19/66	6/43	pc

North America

Anchorage	14/57	9/48	c	14/57	9/48	pc
Atlanta	32/89	19/66	pc	30/86	19/66	t
Boston	26/79	19/66	pc	26/79	15/59	t
Chicago	26/79	18/61	pc	27/80	14/57	s
Denver	28/79	12/53	t	28/79	11/52	pc
Detroit	29/84	17/62	t	26/79	14/57	pc
Honolulu	30/86	24/75	pc	31/88	25/77	pc
Houston	34/93	23/73	pc	31/88	22/71	t
Los Angeles	26/79	16/61	pc	28/82	19/64	pc
Miami	33/91	25/77	t	32/89	24/75	t
Minneapolis	25/77	13/55	pc	22/71	12/53	s
Montreal	24/75	14/57	t	24/75	11/52	pc
Nassau	32/89	24/75	pc	32/89	24/75	pc
New York	32/89	21/70	pc	28/84	18/64	t
Phoenix	37/98	24/75	s	38/87	23/73	s
San Fran.	22/71	12/53	pc	23/73	14/57	pc
Seattle	24/75	12/53	s	24/75	13/55	pc
Toronto	27/80	17/62	t	25/79	14/57	pc
Washington	32/89	21/70	pc	30/86	19/66	t

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, i-ice.
All maps, forecasts and data by Accu-Weather, Inc.©1991

Michael Stenzenbach/Reuters

Jews reading the program of services for Rosh Hashana, the New Year holiday, on Monday at the central synagogue in Moscow.

Soviet Jews: New Year, Much to Ponder

By Margaret Shapiro and Fred Hiatt
Washington Post Service

MOSCOW — As an old man in prayer shawl and cap blew the shofar to welcome the New Year, 500 or more Jews in the Moscow Choral Synagogue listened or prayed or simply chatted with others in their wooden pews.

There was little of the fear of past years, the looking over shoulders for KGB agents who made life miserable for those who wanted to emigrate or to live as Jews in their homeland.

But most members of the congregation seemed to feel little optimism that the new democratic wind in the Soviet Union would blow good tidings to the dwindling number of Jews here. The Jews, for centuries the target of anti-Semitic pogroms and scapegoating, gave birth to some of the greatest talents and, until *perestroika*, the bravest critics of the Communist system.

They also provided one of the most contentious issues of the U.S.-Soviet relations in the last two decades, as Moscow refused to let Jews emigrate. Now, with most restrictions gone, many Jews worshiping here on Monday said they wanted only to get out.

"If Jews want to live as Jews, they should leave for Israel," said Arkadi Yerikhov, 33, a doctor from Kiev. "For 70 years, the Jewish community here was destroyed and undermined. To renew it now is not possible."

Like most Russians, Jews are also worried about less spiritual concerns: finding food, making it through the winter and somehow surviving the many traumatic political and economic changes washing over this country.

Outside the synagogue on Monday, as worshipers took breaks from their prayers and milled about in the chilly sunshine, several people asked for spare change, or even ballpoint pens. Someone else was hoping to sell an apartment for dollars; many asked any foreigner they could find to intercede on their behalf with the State Department so that they could go to the United States.

In 1990, 356,792 Soviet citizens emigrated, a majority of them Jews, and this year 230,000 more have already left, leaving behind a community of Jews estimated at anywhere from 1.5 million to 3 million. Most of the remaining active Jews are elderly.

Many of the famous refuseniks of the past now reside in Israel or New York. But a U.S. congressional delegation here for a conference on human rights said Monday that it had presented to the Soviet Foreign Ministry a list of about 100 mostly Jewish refuseniks who it said were still being unjustly prevented from emigrating.

Still, on the Jewish New Year, there were expressions of hope for the future.

"Even before the coup the atmosphere was not so bad," a Jewish activist, Mikhail Chlenov, said. "There are many more hopes now." He said the estimate of the Jewish population had grown to 3 million despite the emigration because many Jews were publicly identifying themselves for the first time.

Dara Goldschmidt, a New Yorker married to a rabbi who has lived here for three years, is starting a Jewish school this fall and expects to enroll about 100 children.

"I feel like we're just grasping at straws," she said. "These are the last remnants. This is the last chance to put anything Jewish into these kids." She added that many Jews, both those who are staying and those who hope to emigrate, "are really searching."

"They want to know what's been taken away from them," she said.

Lyova Koroshik, 42, who was trained as a circus clown, agreed, saying that he saw interest at the synagogue "as never before."

With communism officially repudiated after 74 years, he said, "it's not only Jews, but all nationalities, who are interested again in their heritage, in finding some new laws to live by."

Mr. Koroshik said that last month, when hard-line Communists undertook their coup, he was among the first hurrying to the barricades to defend the Russian Republic's parliament, from where Boris N. Yeltsin was leading resistance to the putsch.

"There were many Jews there," he said. "We knew that if the coup won, it would have been terrible for the Jews, like under Stalin — they would have closed schools, the repression would have begun again."

But the defeat of the coup has not left Mr. Koroshik optimistic and, like many, he said he is considering emigration. Most said they would leave in an instant if they could go to the United States, but Washington will accept only 50,000 refugees a year. The remainder go to Israel, but many here said they were discouraged by reports of the difficulty of finding jobs and apartments there.

For many such Jews, the collapse of communism, which at various times officially sanctioned anti-Semitism, has provided a temporary respite from fear. But many others worry that the rise of Russian nationalism, along with growing economic problems, could make Jews scapegoats once again. They criticized Mr. Yeltsin for not speaking out more firmly against anti-Semitic groups.

Oleg Schwarz, 32, who is studying Hebrew in preparation to emigrate, said, "When the economic situation worsens, when you can't find sausages, it always gets worse for the Jews."

Yeltsin Links Return of Kurils to Japanese Aid

The Associated Press

TOKYO — Boris N. Yeltsin, the Russian president, has suggested financial support from Japan could lead to settlement of a long-standing territorial dispute between Tokyo and Moscow, officials said Monday.

Mr. Yeltsin, in a letter delivered to Prime Minister Toshiki Kaifu by the acting Russian parliament chairman, Ruslan Khasbulatov, said better mutual understanding — a key to solving the territory dispute — could be established through such financial support and cultural exchange, the Foreign Ministry said.

Saying that Mr. Yeltsin "has determined to settle the difficult dispute," Mr. Khasbulatov told Mr. Kaifu that it is important to form favorable "public opinion among Russian people to solve the difficult problem."

Mr. Khasbulatov arrived Monday for a five-day visit at the invitation of Mr. Kaifu's ruling Liberal Democratic Party.

The Nihon Television network reported that the letter said a resolution on the disputed territory — several islands off Japan's northern coast — could be reached in two years if Japan agreed to build factories in the Soviet Union.

Foreign Ministry officials quoted Mr. Khasbulatov as saying that, taking the Soviet's difficult situation into consideration, he thought that Japan "can consider emergency aid along with other Western nations."

The islands dispute, which has prevented Japan and the Soviet Union from signing a World War II peace treaty, is also behind reluctance in Tokyo to respond to the Soviet Union's pleas for financial assistance.

Referring to Mr. Yeltsin's plan to return the islands, Mr. Khasbulatov said he believes "many points" have since been resolved.

In another meeting Monday with the Liberal Democratic Party secretary-general, Keizo Obuchi, Mr. Khasbulatov stressed that the Russian republic was obligated to discuss the territory issue because the Kuril Islands belong to the Russians, Kyodo News Service reported.

The Soviets seized the islands, known as the Northern Territories, from Japan during the closing days of World War II.

Doubts Cloud Soviet Free-Market Shift

By Francis X. Clines
New York Times Service

MOSCOW — Having adopted an emergency redesign of the Soviet Union's political face, officials of the new national transitional government face the daunting challenge posed by the crippled Soviet economy, where growing budget deficits and soaring inflation are dampening plans for rapid free-market innovations.

Officials estimate that inflation could increase as much as tenfold this year, with deficits doubling as the new, weaker union government and its newly sovereign republics contend with the bleak economic environment.

The State Council, the new emergency executive panel created last week to redesign the union government, as yet has given no indication of economic plans.

But in a sign that the Soviet leadership views the situation as extremely grave, Foreign Minister Boris D. Pankin said Sunday that Moscow felt the West should come up with a sum equivalent to the $100 billion it mustered during the Gulf war to help the Soviet Union cope with its urgent needs.

As the republics have moved separately to begin settling their own affairs and the political landscape is being redrawn, talk of a single rescue plan for the national economy has begun to fade and be replaced by the vague notion of a "single economic zone" that President Mikhail S. Gorbachev offers as a plan for the future.

In general terms, this approach is to maintain links between the Soviet republics, while leaving each one free to devise its own strategy for reform, taxation and possibly its own currency.

Before the unsuccessful coup against Mr. Gorbachev three weeks ago, the government's economic strategy called for reform to be rooted more in a union-wide plan. That was made impractical by the collapse of the discredited central government and the Communist Party, which maintained networks of authority in the outlying parts of the Soviet Union.

"There is no place for reform on an all-union level," Grigori A. Yavlinsky, the economist and designer of such plans, said last week. Mr. Yavlinsky, who spoke before the World Economic Forum of the need for redesigning the free-market approach, is now a member of the transitional government's interim economic steering committee.

As the union breaks down into its component parts, the old problems remain from a system now officially declared to have been bankrupt. Production is down and inflation, which reached a rate of more than 100 percent after the liberalization of the price system in April, has shown signs of surging further, with some experts predicting that the rate will reach 1,000 percent by the end of the year.

Budget deficits, which in the past have hovered below 10 percent, have doubled so far this year, as both the central government and its republic counterparts try to keep pace with demands for salary increases and other social benefits. If predictions of food shortages made by Western experts prove correct, the pressure for state expenditures will increase even more.

Despite fevered appeals from leading political figures like Mayor Anatoli A. Sobchak of St. Petersburg, formerly Leningrad, for a fresh surge of investments from abroad, some economists are forecasting that Western investors, haunted by the coup and bewildered by the changes now taking place, will hold back.

"No private financial sources will be provided to the Soviet Union, and even governments are rather taking a cautious look," said Anders Aslund, director of the Stockholm Institute of Soviet and East European Economies.

"Even if people know they are throwing their money away, they want to know that it will be used," said Mr. Aslund, an economist with long experience in the Soviet Union. "The big problem is not whether the Soviet Union can pay, but who will take responsibility. They must decide a few basic things first: Will the republics have their own currencies, their whole economic policies? And they must do it soon."

Mr. Yavlinsky said he expected that some economic levers would remain centrally controlled, but that issues like the authority to levy taxes and currency regulation would have to be negotiated.

"We cannot do anything about basic economic issues until we know what form the government will take," he said. "To make a market, we need legitimacy."

In the weeks since the coup, long-suffering Soviet consumers, their patience worn thin by shortages, long lines and poor quality goods, are confronted by a new surge in inflation. After the changes instituted in April, which raised prices by an average of 100 percent, about 40 percent of goods were set free from government controls, with prices now dictated by a mix of contractual agreements between producers and retailers and by an expanding private sector.

In government-run food stores, where prices remain fixed, the selection is more paltry than before. A survey by the economic weekly Commersant last week found that most staples sold through government-run outlets, such as dairy products and sausage, were available less often in August than they were in June, while in Moscow's open-priced cooperative stores, prices for meat and dairy products went up an average of 17.3 percent.

With the Soviet mint printing money at four times its 1987 rate, Viktor V. Gerashchenko, the head of Gosbank, the Soviet central bank, has predicted that the amount of money in circulation would reach 240 billion rubles by the end of year, up from 136 billion in January.

Vladimir G. Pantskov, a budget expert on Mr. Gorbachev's presidential staff, said in an interview that the Soviet budget deficit was likely to soar past 250 billion rubles, or about 13 percent of gross national product.

"Galloping inflation will come sooner or later," he said. "I expect it before the end of the year. It is inevitable."

Gorbachev Is Getting Firmer Grip On Military

Reuters

MOSCOW — President Mikhail S. Gorbachev plans to break the military's control over the Defense Ministry and bring it more securely under his command, a Soviet military leader said Monday.

The armed forces chief of staff, General Vladimir Lobov, told Pravda that Soviet defenses faced deep changes with the collapse of central Kremlin authority and the rise of the republics. But he said that the armed forces must retain a united structure and firm central command over nuclear weapons.

"The central Defense Ministry as well as the republican ministries should be purely civilian structures converging on the president himself via the cabinet," said General Lobov, who was appointed during the purge of the upper command that followed the bungled coup last month.

"The General Staff should deal entirely with military affairs, the ministry should coordinate the activity of equivalent republican authorities and resolve general defense matters," he said.

The Defense Ministry has traditionally been under the firm control of the military, its minister drawn from the ranks of the high command. But the involvement in the August coup of senior officers, including Marshal Dmitri T. Yazov, the minister of defense, has raised calls for strict political controls on the army.

After the coup collapsed, Mr. Gorbachev announced an 80 percent clean-out of the top military leadership, while paying tribute to army and air force units that he said had refused to obey orders.

General Lobov said that representatives of the Defense Ministry would work inside the General Staff and that a deputy commander of that military body would be placed in the ministry.

"Thus we see mutual interaction, mutual control and the president is informed by two channels," he said. "Such a system would scarcely have been possible before the August events."

Pravda, formerly the official newspaper of the Soviet Communist Party, was relaunched as an independent daily after the party's suspension by Mr. Gorbachev.

Rebels Kill 4 in Sri Lanka

The Associated Press

COLOMBO — An ambush by the rebel Liberation Tigers of Tamil Eelam killed four government soldiers Monday in the north, the military said.

Pentagon Explores Soviet Aid

Meaningful Dialogue Slowed by Decades of Suspicion

By Melissa Healy
Los Angeles Times Service

WASHINGTON — The Defense Department, struggling to cast aside more than four decades of suspicion, is exploring ways to help the Soviet Union and the newly independent Baltic republics by offering technical and organizational advice to their armed forces.

The Pentagon's assistance could range from counsel on the conversion of defense industries and tips on how to organize a military in a democratic society to more sensitive exchanges on nuclear weapons safety and security, officials told the Los Angeles Times.

But despite proddings from Secretary of Defense Dick Cheney to begin such consultations quickly, only one long-planned delegation, led by Deputy Secretary of Defense Donald J. Atwood, is ready to be sent to the Soviet Union in early October.

Pentagon officials said that the turmoil of leadership changes in the Soviet military and the prospects of more to come have made it difficult to initiate and plan meaningful dialogues between the Defense Department and its Soviet and Baltic counterparts. But other observers said that the Pentagon's deeply ingrained suspicion of the Soviets also has slowed the process.

"The Pentagon is really caught up" in its own ambivalence toward the Soviets, said a former defense official. "They're still treating Eastern Europe as if they were Communists."

When it comes to assisting the Soviets, the source added, "it's one thing for Cheney to lecture from a distance, it's another thing for the Pentagon to provide support."

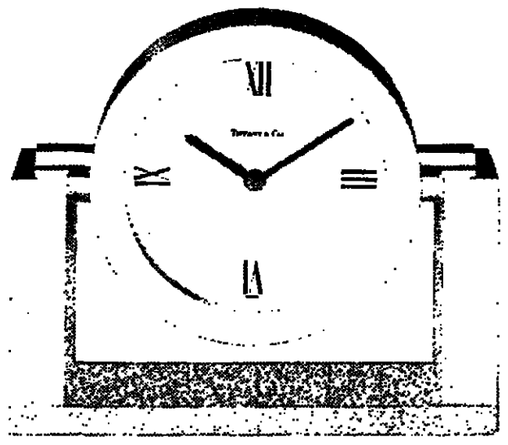
Representative Les Aspin, Democrat of Wisconsin, chairman of the House Armed Services Committee, recently proposed the diversion of $1 billion from the Defense Department's proposed $291 billion 1992 budget to create a "humanitarian aid and stabilization fund" providing food and medicine to the Soviet people this winter.

But Mr. Cheney dismissed Mr. Aspin's proposal in an Aug. 29 speech. In doing so, the defense secretary, who has urged the Soviets to consider changes that would make the Soviet military more like that of the United States, said he was eager to promote the "demilitarization of the Soviet Union" and "fundamental change in the culture of the society in terms of the role the military plays."

Mr. Cheney added that the control of the Soviet nuclear arsenal, also a subject of past discussions between him and his Soviet counterparts, is clearly an agenda item and "a subject that we want to renew."

As originally proposed to the Soviets, Mr. Atwood's visit was to focus exclusively on the conversion of defense industries. But officials now said they expected his agenda to grow.

"We're going to be talking about a lot of new things," said a senior defense official. "The Soviets and these republics are going to be reinventing their militaries — reducing their forces, introducing professionalism in the ranks, and reconfiguring their defense-industrial sectors. Now that you're not talking about two ideologically driven powers at each other's throats, it's possible to have more of an exchange."



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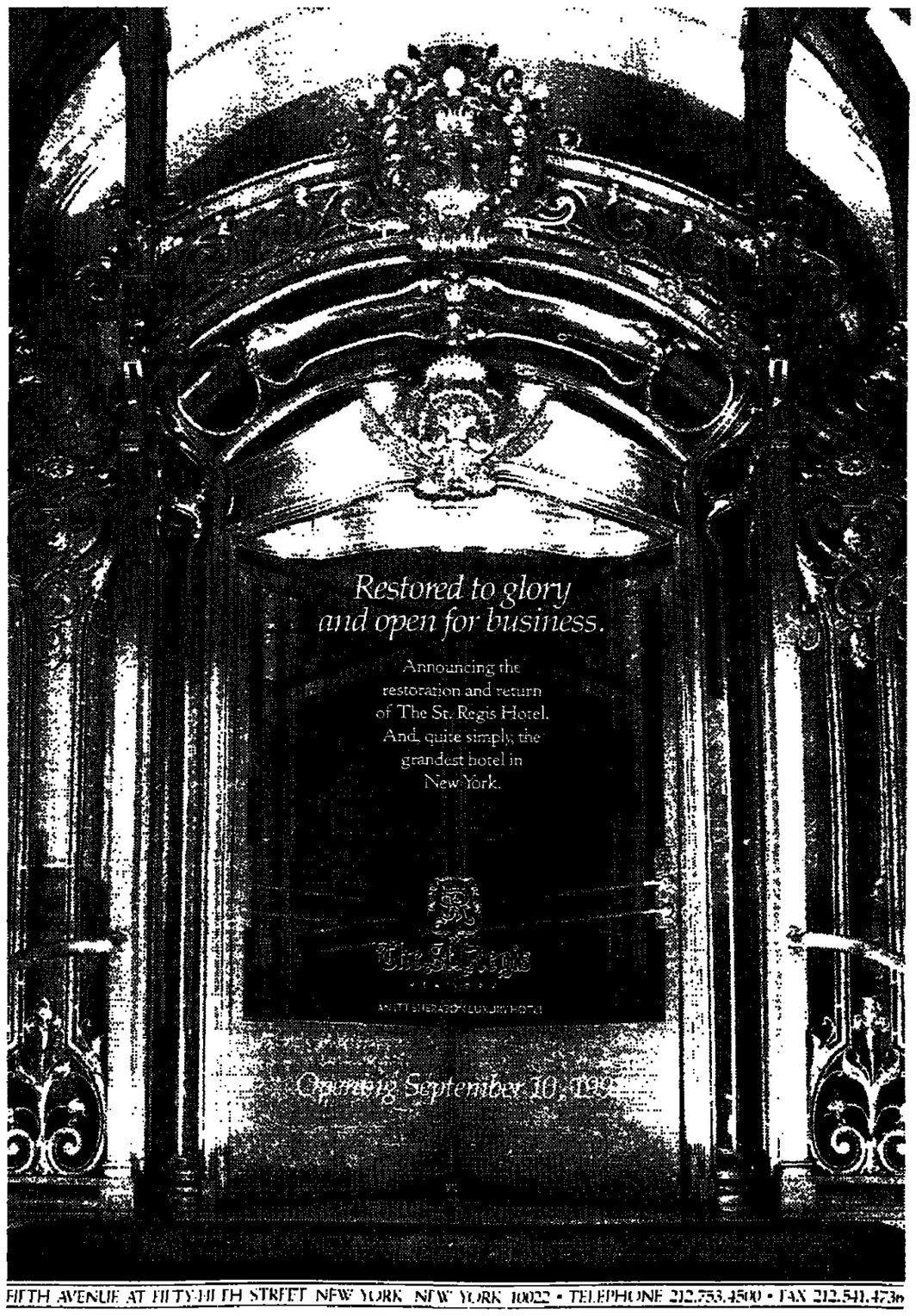

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Congress Picks Up Where It Left Off, but With a Pair of New Problems Thrown In

By Adam Clymer
New York Times Service

WASHINGTON — Congress comes back from vacation this week to face all the domestic problems it left behind five weeks ago and two major foreign policy questions it had not seen coming.

Hearings on the nomination of Judge Clarence Thomas to be a justice on the Supreme Court will begin Tuesday morning. Floor action on issues from abortion to unemployment will soon follow.

The lawmakers have had weeks, sometimes months, to make up their minds on those matters and on other domestic measures, among them banking, cable television, crime, gasoline taxes, energy policy and civil rights.

But neither the upheaval in the Soviet Union nor the question of putting off $10 billion in loan guarantees for Israel was on their minds before they left Aug. 2.

A few lawmakers have been at the Capitol for some of the recess, but most have scattered to their home states, taken trips abroad or even gone on old-fashioned family holidays, so there is nothing approaching cohesion on either issue.

The lawmakers have talked more about the Soviet Union, arguing by news conference and fax machine about sending food, technical assistance and long-term aid to whatever government or governments have asked for help. There is a general expectation that food, at least, will be shipped, but there is uncertainty about where in the budget the money will come from.

One simpler step involving the Soviet Union is likely to be settled first, with both chambers expected to approve favored trade status in a relatively inexpensive move that would encourage change and unity.

Its most noticeable impact on the low level of current trade would be to cut the price of imported vodka by about $1 a fifth.

Late last week an international issue with important domestic political implications was dumped in their laps when the administration said it would ask that action on a request for loan guarantees to Israel to help settle Soviet Jews be postponed until after a Mideast peace conference in October.

The initial reaction from those leaders who had anything to say was agreeable, but the rank and file, and the Israeli lobby, had not been heard from. Earlier this year they combined to overcome opposition in the administration and the leadership to emergency aid for Israel during the Gulf war.

Underlying how Congress will proceed on those issues is an insistent Democratic charge that President Bush cares more about foreign policy than domestic policy and would be quicker to justify enlarging the deficit for foreign emergencies than for American suffering.

That is the case lawmakers expect to make in the next few days when they try once more to legislate additional benefits for workers who have been out of a job for at least half a year. The day they adjourned for vacation, they passed a $5.8 billion bill to provide an additional 5 to 20 weeks of benefits for 3 million people.

Bush signed the bill in Kennebunkport, Maine, but blocked the actual benefits by refusing to declare an emergency, a step required if the deficit is to be increased.

The lawmakers are likely to pass the measure again, and they may structure it so that Bush has to veto it to block benefits.

"Congress will not allow the Bush administration to ignore the plight of the unemployed," Representative Thomas J. Downey, a Democrat from New York, said Friday. Mr. Downey is the bill's chief sponsor in the House.

Another immediate issue will be abortion, as the Senate votes Tuesday on cutting off debate on taking up the appropriation bill for the Departments of Labor and Health and Human Services.

It includes provisions to allow Medicaid to pay for abortions in cases of rape and incest — abortions to save the life of the mother are the only ones now allowed under Medicaid — and it would keep the administration from denying funds to family planning clinics that provide abortion information.

The provision on clinics is more likely to survive, and Mr. Bush has threatened a veto if it does.

This is one of several appropriations bills likely to take up most of September in the Senate. Foreign aid may be postponed to keep the issue of loan guarantees from being forced to a vote, but the appropriations for defense, military construction, interior and transportation will come up this month in the Senate.

Judge Thomas is not the only major appointment awaiting Senate confirmation. Hearings on Robert Gates's nomination to be the director of central intelligence will begin Sept. 16, with the intelligence committee still seeking to determine just what he knew early on about the Iran-contra scandal.

Another possibly stormy confirmation will be the Senate Banking Committee's examination of Robert L. Clarke, who is up for a second five-year term as comptroller of the currency beginning Sept. 26. His own investments and his office's supervision of the banking industry are among the issues.

There seems to be little doubt about the confirmation of Alan Greenspan to another term as chairman of the Federal Reserve or of William Taylor as chairman of the Federal Deposit Insurance Corp. But the hearings are likely to develop into examinations of the economy and of the banking and savings and loan industries.

The House is expected to deal with broad anti-crime legislation, which was passed by the Senate in July.

It is also expected to contend with the highway authorization bill that was pulled back from floor action just before the recess when sharp opposition developed to the bill's nickel-a-gallon gasoline tax.

The tax will probably be dropped, along with billions of dollars in projects it was intended to pay for, but the bill would still be quite different from the companion measure in the Senate that allows much more flexibility for states to spend "highway" money on mass transit and other projects.

A major civil rights battle is ahead for the Senate this fall. In dealing with a bill that would make it easier to sue and collect damages in job discrimination cases, administration supporters oppose a compromise effort by Senator John C. Danforth, a Missouri Republican who is Mr. Thomas's chief sponsor.

The Democrats are expected to line up solidly with Mr. Danforth, hoping he can bring enough Republicans with him to override a threatened veto.

And besides the bills that actually get voted on, there will be large-scale Democratic efforts to discuss health insurance and health care and tax cuts for the middle class. Most of the discussion will be more political than legislative in purpose.

Capitol Hill generally may regard Mr. Bush as an almost certain winner in his re-election effort, but that is not the contest they care most about. The elections that matter most to them are their own, the balloting for 35 senators and all 435 members of the House.

Are the Circles at Last Broken? In England, Maybe

By William E. Schmidt
New York Times Service

LONDON — The mystery of those giant circles and odd geometric shapes that have been showing up during recent summers in wheat fields across southern England has been explained — up to a point.

Newspapers in London on Monday published the claims of two local men who said they were the ones who have been skulking around the countryside under cover of darkness, trampling out patterns with wooden boards as a big joke.

To prove their point, the men, aided by a London tabloid, fooled a self-styled expert on the crop circle phenomenon, who declared a pattern found over the weekend in a Kent wheatfield to be the genuine article, of the sort no human could have made. While the expert looked on in embarrassment, the two men, described by the newspaper as "jovial con men in their '60s," gleefully revealed themselves as the artists.

"They called us 'superior intelligence,' and this was the biggest laugh of all," said David Chorley, who carried out the scheme along with a friend, Doug Bower. Mr. Chorley was referring to speculation in recent years that the circles were of such a scale and geometric precision that they must have been the work of alien spacecraft.

At first, David Delgado, the author and expert, confessed that he and others had obviously been duped by a hoax that had gone on for several years. Later he changed his tune, arguing that the men's claims appeared suspect, and fell short of explaining the phenomenon, including the appearance of similar circles in other countries, including the United States.

"Yesterday there were circle discovered on a prairie in Canada," Mr. Delgado said. "Have these guys been out there with their board?"

Other corn circle enthusaists said they wanted to question the pair.

"I find their claim to be incredible, to be quite frank," said John Michell, the editor of The Cereologist, a journal devoted to the study of the crop circles. "We've always known some of the circles were hoaxes, but I find it hard to believe two men could have created hundreds of these circles, which often appear on the same nights in widely different parts of the country."

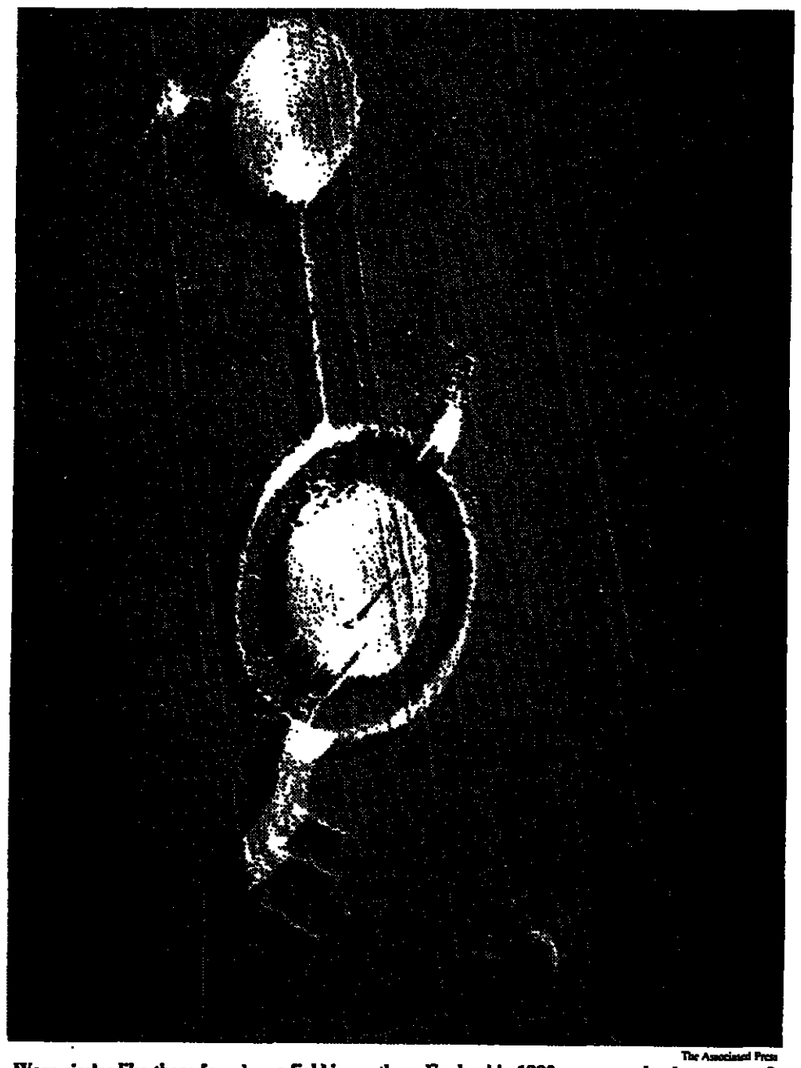
In recent years, a cottage industry has grown up around the circles, including books, magazines and clubs devoted to the study of the phenomena. This summer, travel agents were offering package tours that brought tourists from the United States and other countries into southern England, to visit the circles, and farmers who discovered the circles in their fields were charging a pound a head to visit them up close.

Scientists from England and Japan have monitored the sites with scientific equipment, suspecting the circles might be the result of unusual and very sudden whirlwinds. Small armies of mystics, flying saucer fanatics and believers in the occult have paid them pilgrimmage, trying to sense their hidden energy fields.

According to Today, which broke the story with the headline, "Men Who Conned the World," Mr. Chorley and Mr. Bower followed tractor rows into the center of fields, and from there traced the patterns, trampling down the corn using "two wooden boards, a piece of string and a bizarre sighting device attached to a baseball cap."

On Monday, the two men demonstrated their craft before reporters gathered in a field in Hampshire, in southern England. But Colin Andrews, who is an associate of Mr. Delgado, was not convinced.

"There is nothing here to impress us at all except two very fit 60-year-olds," he said.



The Associated Press

Were circles like these found on a field in southern England in 1990 a man-made phenomenon?

U.S. Hoping To Head Off Arms Debate

By Joseph Fitchett
International Herald Tribune

PARIS — In endorsing early negotiations on cutting U.S. and Soviet short-range nuclear forces, the Bush administration is hoping to head off a broader debate questioning the overall future of nuclear weapons in Europe, American and allied officials said Monday.

Allied governments — under pressure from Germany — appear ready to agree that ground-based nuclear weapons have lost their military purpose in Europe now that Soviet forces are no longer in position for a surprise offensive.

Defense Secretary Dick Cheney said over the weekend that "clearly we're in a position now to address the question" of long-planned talks on cutting "short-range systems — artillery shells, short-range systems with nuclear warheads on them."

In practice, the officials said, cuts are most likely to mean the elimination of U.S. ground-based nuclear missiles in Europe. That ban could also affect Britain and France, which have similar weapons of their own.

The only other foreign deployment of these U.S. systems is in South Korea.

To maintain Western nuclear deterrence, the United States, strongly backed by most other allied governments, wants to safeguard the role of air-launched nuclear weapons, including a planned long-range tactical missile.

France may seize the opportunity of a U.S.-Soviet ban to cancel plans for the Hades, a short-range missile of its own that has been a sore point with the Germans.

But France, like Britain, wants to avoid any anti-nuclear ground swell liable to jeopardize its long-range nuclear weapons.

By expediting talks, NATO hopes to preempt pressures — particularly in Germany, where U.S. and Soviet battlefield weapons have been stationed — for a debate on the alliance's overall nuclear strategy.

Chancellor Helmut Kohl's government is insisting on a negotiated deal cutting these weapons. Most allied governments would prefer to see Soviet and U.S. weapons depart unilaterally by informal agreement now that Soviet weapons of this sort seem likely to be forced out of Ukraine and other republics bordering Europe.

Mr. Cheney's comments, citing nuclear shells and warheads, suggested that allied governments may focus on eliminating only warheads, not the weapons that fire them. These missiles or artillery are also used by nonnuclear forces, so countries may wish to avoid banning them.

The allied position is under discussion by the North Atlantic Treaty Organization governments, with the exception of France, which declines to participate in NATO nuclear discussions.

Washington has told allied governments that it favors the earliest possible ratification of the treaty signed last year on conventional forces in Europe, whose conclusion has been a precondition for talks on the short-range forces.

Thomas to Stress His Life, Not Issues

By Neil A. Lewis
New York Times Service

WASHINGTON — When Judge Clarence Thomas faces a bank of television lights and the sober-faced members of the Senate Judiciary Committee on Tuesday, the tone of his remarks and the details of his responses should be familiar to him and his White House advisers.

Judge Thomas, President George Bush's choice to succeed Thurgood Marshall on the Supreme Court, has undergone an intense summer-long preparation for the confirmation hearings, including three mock sessions in which he has fielded aggressive questions from lawyers pretending to be senators on the committee.

The strategy that is most likely to be unveiled at the hearings will have the judge emphasizing whenever he can his personal story of how he overcame a childhood of poverty in rural Georgia, while deflecting specifics about any cases that might come before the court on issues like abortion.

Unless he stumbles badly in the hearings, most people who monitor the process expect Judge Thomas to win confirmation as the 106th justice of the Supreme Court.

[President Bush acknowledged Monday that "there's a fight on" over the Thomas nomination, but expressed confidence he would be confirmed, The Associated Press reported from Washington.

[Mr. Bush, meeting with leaders of historically black colleges and universities, said, "I personally am strongly committed and very pleased with the support that has come out over these last few days for him."

[Mr. Bush acknowledged that sentiment among the black educators may be divided, but added, "There's a fight on and I'm confident we're going to win it." He described Judge Thomas as "a plain, decent fellow."]

The practice sessions and the refining of the judge's responses are part of what the modern confirmation hearing has become, a venture resembling a full-throttle political campaign designed to win public opinion as much as anything else.

The process has come a long way from the day in 1939 when William O. Douglas waited patiently outside the Judiciary Committee room and sent in a message asking if there were any questions the members wanted to ask him, only to be told that there were not.

Today, there are high political stakes for the White House, the Senate and the advocacy groups that are lined up on both sides of the Thomas nomination.

But the deeper reason underlying the intense feeling behind the confirmation battle is that Judge Thomas's nomination comes at a time when the Supreme Court has increasingly become the battleground for much of the nation's contentious social issues, especially abortion and racial-preference programs.

At the same time, sustained Republican control of the White House has resulted in an ideological transformation at the court. The last time a Democratic president was able to choose someone for the Supreme Court was in 1967, when Lyndon B. Johnson picked Justice Marshall.

As a result, the court has become more and more conservative, generally showing greater deference to government and less tolerance of criminal defendants while being more supportive of law-enforcement agencies and increasingly skeptical of an expansive interpretation of the Constitution.

Judge Thomas, who sits on the U.S. Court of Appeals for the District of Columbia, is known principally as an outspoken black opponent of racial-preference programs.

Although he is not easy to pin down on some issues, he is widely expected to add to the conservative momentum of the Court, and at age 44 he would be the youngest justice, giving him influence for decades to come.

Since the moment Judge Thomas was nominated by Mr. Bush, the discussion about him has revolved around race.

Yet it seems increasingly likely that the subject will be muted during the hearings. Democratic members of the committee have said privately that they are reluctant to press the subject, validating Mr. Bush's political judgment that a black candidate would present a difficult target for opponents.

"There's no profit in taking him on about the issue of affirmative action or race," one Senate staff member said.

A requisite part of the preparation process is for those involved to insist that it is not really coaching and that the candidate is his own man. "It's just batting practice," said Senator John C. Danforth, Republican of Missouri and Judge Thomas's principal patron in the Senate.

For Republican strategists, Judge Thomas's greatest strength is his history of having overcome a childhood of grinding poverty near Savannah, Georgia, with the help of his grandfather and a group of nuns who emphasized the value of hard work. He is certain to be prepared, even eager, to emphasize the personal story, not only in his opening statement on Tuesday but also in response to questions from friendly committee members.

On the issue of abortion, Judge Thomas is certain to emulate the responses that Judge David H. Souter gave last year, saying it would be inappropriate to even hint how he feels about Roe v. Wade, the court's 1973 decision legalizing abortion based on a constitutional right to privacy.

One Republican strategist said that one of the things Judge Thomas's supporters believe is that the committee members, all of whom are white, will be inhibited from pressing Judge Thomas too aggressively.

"They can't appear condescending nor can they lecture him," this official said.

MOSCOW: *Soviets Playing Host to a Nonconfrontational Conference*

(Continued from Page 1)

said Jeri Laber, executive director of Helsinki Watch, a nongovernmental monitoring group based in New York. "The heads of the half of the Eastern European delegations to this conference are our friends from the human-rights movement."

"But," she said, "in Turkey, human-rights activists are being killed, and there are Latin American style disappearances of people, with death squads, especially against Kurdish human-rights activists in eastern Turkey."

As recently as December 1987, Soviet policemen arrested human-rights supporters trying to attend an unofficial seminar on human rights in Moscow that paralleled a security conference gathering in Vienna.

Now, those gathered around the edges of the conference here include Yuri F. Orlov, the founder of the first Moscow Helsinki Group, who endured prison and Siberian exile for his activities and was bundled off to the United States, where he still lives, in 1986. Other human-rights spokesmen, like Yelena G. Bonner, widow of Andrei D. Sakharov, have preferred to keep their distance.

But for all the new self-confidence, as Eduard Simonyants, an adviser to the Armenian government, said of the defeated coup in Moscow, "The victory of democracy does not mean that it has been achieved everywhere."

And Mr. DeConcini said the U.S. congressional delegation had deposited with the Soviet Foreign Ministry, and would leave with President Boris N. Yeltsin of Russia, a list of over 100 people here who have been denied visas for various reasons, frequently on the grounds that they were still bearers of official secrets.

"The United States will continue to press for them to be granted visas," he said. Most of those refused are Jews trying to emigrate. Mr. DeConcini named two of them, Solomon R. Smolyar, an electronics engineer from St. Petersburg who first applied to leave in 1990 and suffers from Lou Gehrig's disease, and Mikhail Fridman, a polymer physicist who taught at the Ministry of Chemical Industry in Moscow and has been trying to emigrate since 1989 for treatment of a heart condition.

Mr. Yeltsin has said that he has a list of 21 prisoners whose sentences could be regarded as at least partly political, and that his government is examining them case by case.

UNION: *Who's in Charge?*

(Continued from Page 1)

old weekly reports on the Thursday meetings of the former ruling Politburo.

The list of participants also raised questions. Only five full members of the Council were there — Mr. Gorbachev, President Boris N. Yeltsin of Russia and the presidents of Kazakhstan, Armenia and Turkmenia. The Ukraine, Byelorussia, Georgia, Azerbaijan, Kirghizia and Estonia were represented by lesser officials.

Yet the State Council briskly got down to business, recognizing the independence of the Baltics and hearing reports on the economy, the military and foreign affairs.

The attendance at the session, moreover, seemed to reflect the shape of the envisioned new union, in which the center would have a coordinating function while republican governments actually ran their republics. The most pressing business for most republican leaders was now at home, and not the least of it was to assure restive populations that the State Council was not a threat to their newfound sovereignty.

Cuba to Ration Sales of Cigars And Cigarettes

Reuters

HAVANA — Cuba, known for its choice tobacco and world-famous cigars, said on Monday that it would ration sales of cigarettes and cigars to its own people.

The move was a further heavy blow to Cuba's more than 10 million people, who are among the highest tobacco consumers in the world.

They are already suffering widespread shortages of practically all food and consumer items because of disruptions in trade with Eastern Europe and the Soviet Union, traditionally the island's main supplier.

Many of Cuba's hundreds of thousands of habitual smokers received a fixed quota of cigars and cigarettes in their monthly food ration. But until now they could also buy additional supplies in state shops.

Under the new system, adult smokers who received four pack of cigarettes will be allowed to buy only two more packs a month.

CLASHES: *Lid Tightened*

(Continued from Page 1)

the major black township of Soweto.

Mr. Mandela said the congress was investigating the incident and expressed doubt those responsible belonged to either his group or Inkatha.

Inkatha's national chairman, Frank Mdlalose, issued a statement reaffirming Inkatha's intention to attend the peace convention.

"If certain elements are hoping that mass murders of IFP members will derail the peace initiative and that the IFP will as a result not sign the peace accord, they are mistaken," he said. "These attacks must be exposed for what they are: barbaric acts designed to wreck the peace process."

Despite congress and Inkatha reaffirmations of their intentions to sign the pact, serious doubts remained among many analysts over whether the two main rival groups would reach an agreement on the banning of all so-called traditional weapons at public rallies.

Mr. Mandela described it as "a very sensitive issue" and indicated negotiations were still going on to seek a compromise. The congress wants all weapons banned, while Inkatha has been insisting on the right of its members to carry "traditional weapons," which in practice include sharpened stakes

Religious leaders unanimously condemned the renewed "madness of violence" and appealed to all sides to exercise restraint. Archbishop Desmond Tutu urged all parties not to allow it to derail the signing of the accord, which he said would set up a monitoring mechanism to help prevent other such incidents.

The Methodist leader, Stanley Mogoba, said it remained unclear who was behind the violence and noted that the situation was "so volatile that it takes only a tiny incident" to touch off such violence.

The police in Durban, meanwhile, reported that eight other blacks had died in separate incidents of political violence in Natal Province over the weekend. Natal has been perhaps the worst affected region with 859 deaths — 100 in August alone — recorded so far this year by the monitoring unit of the liberal white women's group, Black Sash.

CROATS: *Near Mobilization*

(Continued from Page 1)

European efforts to monitor compliance with the week-old ceasefire. On Monday, European observers assumed positions in Osijek, the long-besieged capital of eastern Croatia that has suffered heavy shelling.

But here in Novska, only minutes after a European Community envoy, Henri Wijnaendts, signed yet another local cease-fire with army commanders and Croatian officers, hundreds of armed Croatian militiamen, some with rosary beads and small plastic skeletons strung around their necks, took up positions along the dusty main street. Their job was evidently to protect Novska, a trim farming town, which Sunday night came under mortar fire for the first time from Serb guerrillas to the north.

While Bosnia strains, Yugoslavia's disintegration appeared to continue after an overwhelming majority in the southern republic of Macedonia voted Sunday in a referendum to follow secessionist Croatia and Slovenia in seeking independence.

According to preliminary results, roughly three-fourths of the 1.3 million eligible to vote said Macedonia should become a sovereign republic within a loose Yugoslav federation.

Soviet Envoys Are Seeking Aid

Reuters

MOSCOW — President Mikhail S. Gorbachev is sending top envoys to Germany and the Middle East to seek economic help in a clear sign that the Kremlin is increasingly worried about winter shortages.

The chief Foreign Ministry spokesman, Vitali I. Churkin, said Monday that Mr. Gorbachev would be sending Alexander N. Yakovlev to Germany and Yevgeni M. Primakov to six countries in the Middle East.

"The aim of the visits is to see what can be generated in terms of cooperation with these countries in order to alleviate the economic situation in the Soviet Union," Mr. Churkin said. "We'd like to ensure we have done all we could in order to alleviate the possible hardships as we look to the difficult and long winter."

Germans to Give Balts Aid Worth $725,000

Reuters

BONN — Germany, which restored diplomatic relations with three Baltic states last month, will provide $725,000 in aid to the former Soviet republics, the Economics Ministry said Monday.

Journal Reporters: End of Good Life

By Alex S. Jones
New York Times Service

NEW YORK — While working as a foreign correspondent at The Wall Street Journal may be a glamorous job, it is about to become a significantly less rewarding one financially.

Dow Jones & Co., owner of the Journal, has notified foreign correspondents and other expatriate employees that on Jan. 1, 1992, the company will cease paying allowances for housing, goods and services under its old formula. The new rules will apply to those posted abroad after Jan. 1, but will not apply to expatriates now in place until June 30, 1993.

"It represents a substantial pay cut," said Ken Martin, vice president of the Independent Association of Publishers' Employees, the union for Dow Jones employees in the United States. Employees abroad are not covered by the union contract, but Mr. Martin said the union was receiving calls from expatriates.

Donald L. Miller, vice president of employee relations for Dow Jones, said the "very substantial subsidy" now in place for housing would be replaced by a formula that gives subsidies only to the extent that housing costs in a foreign city exceed those in the New York City area.

Those working abroad for Dow Jones will be expected to take care of their own housing, just as they would if they were working in New York.

The company is also changing the way it calculates the net pay in dollars of employees abroad. The company guarantees that expatriates will be paid enough to maintain this net pay, regardless of currency fluctuations. But the lower the net pay, the lower the basis for compensation.

Currently, only federal taxes are deducted from gross pay in calculating net pay. Under the new system, New York state and city nonresident taxes will also be deducted. The added taxes represent 8 to 9 percent of gross wages.

Other benefits, like home leave and relocation reimbursement, will remain unchanged.

No details were given on how much the average expatriate's compensation would be reduced.

Mr. Miller declined to predict how much money the company would save. A letter to expatriates said the company was now spending $4 million on overseas allowances, which account for more than half of their total compensation.

About 1,800 employees work abroad for various editions of The Journal, the Telerate financial-data subsidiary and other Dow Jones operations.

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The Power to Say No

Designers React to Consumer Revolt

By Suzy Menkes
International Herald Tribune

PARIS — A quiet revolution is taking place in fashion. Upmarket, downmarket, and especially in the middle, we are seeing the break-up of the "designer decade."

Giorgio Armani, a lion of the labels, has announced a new line to sell at under $100 in a network of retail stores throughout the United States — the first opening in New York's SoHo in December.

Emanuel Ungaro, symbolic of pampered designer chic throughout the 1980s, has already cut price tags down to size in the United States, where the fashion recession is most intractable. Ungaro launched his Emanuel range — a cross between Paris glamour and easy American sportswear — made by the Italian industrial clothing manufacturer GFT in February. It is priced at what the trade calls "bridge" prices, between the mass market and the designer's ready-to-wear line.

The mark-down rack has become the fashion totem of the 1990s.

Last week also saw a big promotional push for the middle market in Paris. Céline, part of Bernard Arnault's fashion empire, kicked off the new season with the first of the spring/summer fashion shows before a high-profile audience including the Japanese ambassador's wife and the top brass of Moët Hennessy Louis Vuitton. It was held in the fancy ballroom of the Grand Hotel, usually reserved for the stars of haute couture.

The shift to sensible clothes with price tags to match has been brought about not by a coherent fashion strategy, but by people power. Customers who have balked at escalating prices and demonstrated by snapping shut their pocketbooks have inspired a consumer revolution, especially in the United States, where the mark-down rack has become the fashion totem of the 1990s.

Now there are only two choices for designer fashion. A company can accept that its luxurious clothes are for an elite few and perch them on a pyramid of perfume and accessories. This is the traditional Paris couture strategy, of which Chanel is a prime example. Or a designer adds ranges at lower price levels to broaden the base. This is exemplified by Armani, whose business grossed $654 million in 1990, of which just 15 percent was in the high-profile designer line, 18 percent in fragrances and sunglasses, 35 percent in the general ready-to-wear line and 32 percent in Emporio Armani — a lower-priced line with its own stores that has proved to be the big growth area for the designer.

The new line, A/X Armani Exchange (its name inspired by military PX clothing stores of the 1940s), will be jeans and casual wear for both sexes, with a strong store identity. Five free-standing stores and 25 in-store boutiques will be open by the end of 1992. The line is made under license by Simint SpA of Modena, Italy, which has already built up a $160 million annual business in Armani jeans over the last decade.

"We've had a jeans business for a long time," says Gabriella Forte, Armani's right hand. "The new concept is not going downmarket. It is providing our customer with free-time clothes at a good price point. Where does he go for a $20 T-shirt? It should not be only Gap."

Most customers understand nothing about the complex targeting and market structure behind the different ranges of designer fashion. But they quickly grasp what they read on the price tag. Since the emphasis is now on price (or what designers prefer to call "perceived value for money"), you now get high fashion names for less. That, surely, must be good news.

The Céline show presented in a series of snappy scenes the silhouettes, shapes and colors of current fashion — here a short washed-silk trenchcoat; there a graphic abstract-art knit; the box jacket suit in candy-colored checked tweed; the 1960s-inspired shift dress. Everything was well-made, good quality and just the straightforward fashion that many women want to wear. Accessories, which are Céline's core business, were also strong, with neat flat pumps in sugared-almond colors, lunch-box bags in grainy leather and Chinese pagoda straw hats. And all that at prices that never go through the stratosphere.

Under its current president, the glossy, dynamic, American-born Nan Legeai, Céline has gone from a stodgy fashion house to become a success story. Volume was 990 million francs (about $167 million) in 1990, up 7 percent over the previous year, and this at a time when most fashion houses were struggling to hold the line.

"Renewal," said Legeai, summing up her strategy. "Céline used to have a spark that had fizzled out. It needed to be fizzled back."

But Céline is not about sizzling hot, innovative fashion. Its success is as a "service" fashion house — one that gives customers exactly what they want, which is an acceptable and affordable version of the current look. Everything that comes out is an "homage" to a designer original: Claude Montana's zippered A-line tunic, the Courrèges shift or even Givenchy's "Breakfast at Tiffany's" look for Audrey Hepburn, complete with mushroom hat. These familiar ideas are then given a tweak of imagination by using different colors or fabrics.

There are an increasing number of fashion houses — especially in Germany and Italy, and also on New York's Seventh Avenue — that send out pretty collections that do not contain one single creative fashion thought. The customers mostly snap them up.

The advantage of the designer diffusion lines is that they do have design integrity. In Ungaro's Emanuel line, you get for $450 a curvy plaid wool jacket cinched at the waist and a skinny skirt for $195 to trace the designer's signature silhouette. Everything comes as easy sportswear pieces from pants through turtleneck sweaters to body suits. The initial success of Emanuel in the United States means that it is likely to be introduced to Europe.

WHAT you don't get in a designer-basic line is innovative style. But then Ungaro has not only his own Ungaro Parallèle ready-to-wear line, but also his haute couture collection, in which he has absolute freedom to innovate and experiment.

For example, in January, the designer was toying with the longer skirt lengths in his couture collection, although they may not reach the general market for another three or four seasons.

The definition of a great fashion designer is one who gives women not what they want, but what they never realized they wanted until they saw and wore it. The current revolution, with its emphasis on the middle range, may bring down the cost of dressing up, but there may be a high price to pay for those looking for clothes at fashion's cutting edge.

Zipped wool sweater paired with plaid skirt, right, and checked wool dress, below, from Ungaro's new Emanuel line; black and white wool crepe suit from Céline's spring and summer collection.

STYLE MAKERS

Horst's Vision

GLAMOUR DEFINED

New York Times Service

NEW YORK — Horst P. Horst was one of the early photographers who defined modern glamour — a fleeting quality, surely, and one that changes from era to era.

But in a photograph by Horst, where the light turns skin into marble and chiffon into whipped cream, the glamour is timeless.

He began working at a time when big box cameras were mounted on huge tripods and models ran off with lion tamers, not guitarists. Society seemed like something worth aspiring to, Hollywood stars were bigger than life and fashion had the seductive power of dreams.

"We never thought of it as fashion when I was in Paris," Horst said in a interview as he puffed on a succession of Carlton cigarettes, the kind you have to drag on so hard you get model's cheekbones. "It was *l'élégance*, the way we lived."

This radiant world can be seen in the retrospective "Horst: Six Decades of Elegance," which, after being seen at the Musée des Arts de la Mode in Paris, is on view through Sept. 29 at Henri Bendel, Fifth Avenue at 56th Street, and in the new book "Horst: 60 Years of Photography," just published by Rizzoli.

There are many memorable fashion shots, some remarkably stagy by current standards, as well as sensuous still lifes, classic nudes and scads of famous portraits:

- Coco Chanel (1937), morose on a chaise, Horst said, "after a spat with a lover."
- Marlene Dietrich (1942), brooding, heavy-lidded and formidable in a wasp-waisted black suit: "She was so difficult. She had her own ideas of how to be lit. So I had to have Scavullo do everything twice." (Francesco Scavullo was Horst's assistant at the time.)
- Noël Coward (1934), an imperious wit in glen plaid and dotted tie: "The only man I ever asked to sit for a photograph. I ran into him in the Ritz in Paris in the middle of a menswear shoot, and he just looked so great."
- A pencil-thin Yves Saint Laurent (1958), who even in gray flannel looks beautifully effete. "He didn't know anything then, when he first came to Dior. But he was adorable and couldn't have been nicer."

Perhaps the most famous image of all is "The Mainbocher Corset" (1939), named for the Paris-based American designer. The view of a platinum-haired model from the back, arms raised above a loosened ivory corset, was appropriated or "sampled" by Madonna in her 1990 "Vogue" video.

Paloma Picasso, 1979, in the current exhibition.

"It took more than three months for Conde Nast to publish it," Horst said, referring to the owner of Vogue. "At that time Mr. Nast wouldn't dream of showing a nude."

In addition, his editors airbrushed the left side of the corset, which was originally much looser, making it tighter to the skin.

"I had left it open," Horst said, "because it captured the mood of France in 1939, the idea of escape." Just as the abandoning of the corset represented women's liberation from antiquated ideas of fashion, the Mainbocher image represented "escaping Paris, the inevitability of war," he said.

HE brushed aside any controversy about Madonna's use of his idea. "I would like to photograph her," he said, "but only naked."

Horst, at 85, is hardly spry. He moves creakily, with the help of a cane, and his eyes have been watering lately behind his thick horn-rimmed glasses. But he still receives daily requests from around the world to shoot pictures. He is working on national advertising for the Bendel stores, which want that Paris-between-the-wars look.

"It's something that is coming back, the elegance of the '30s," he said. "That was the whole idea of my life."

He was born Horst Paul Albert Bohrmann, in the Thuringia area of what was until recently East Germany. His father owned a hardware store. He went to Paris in 1930 to work in the architectural firm of Le Corbusier, but after befriending the Vogue photographer George Hoyningen-Huene, he switched to photography.

When his photographs began appearing in French Vogue in 1931, he shortened his professional name to Horst. In 1943, after obtaining U.S. citizenship and joining the Army, he changed his name to Horst P. Horst.

Anyone who has ever grappled with the problems of conveying fashion ideas in black and white appreciates the delicacy and precision of his compositions. Because of his lighting effects, it is possible to really see the cut of a long skirt, to appreciate the sweep of a curved hem; to read the pattern on a suit, the story in the seams.

Modern photographers shoot hundreds of frames, choosing their best pictures later from a stack of contact sheets. Photography is thus an accidental art. But there is nothing accidental about Horst's photographs. They are completely contrived. In the early days, his setups took two or three days, Horst said.

In a sense, Horst's great good fortune was to be a beautiful young man at a very propitious moment in Paris between the wars, a time when intellectual and artistic personalities mingled in the fashionable salons.

One of his most incongruous photographs is of Gertrude Stein attending a fashion show at Pierre Balmain. Stein, who was built like a barn, seems strangely out of place contemplating a model in a floor-length white taffeta evening dress, covered by a black cape, lined in satin, with an Elizabethan ruff. A *big fluffy dog sits* between the model and a smiling Stein, completing the cartoon.

Horst lives in a one-story white house with formal gardens in Oyster Bay, New York, a sort of American ranch house in the spirit of Provence. It sits on 12 acres that he purchased from the Tiffany estate in the late 1940s for about $5,000.

There are only two Horst photographs on the walls: the first snapshot he ever took, of Katharine Hepburn, and a portrait of Jacqueline Bouvier before she married John F. Kennedy.

Woody Hochswender

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OPINION

Speaking for Hong Kong

Britain's prime minister, John Major, owes the world no apologies for his ice-breaking visit to Beijing last week, the first by a major Western leader since the killings there in June 1989. With direct political responsibility for the fate of 5.8 million residents of Hong Kong, he has every reason to talk directly with the Chinese leadership. But he does need to dispel the impression that Britain is more interested in its own smooth relations with China than in the freedoms it is pledged to protect in Hong Kong. Despite his reassuring words, the airport agreement he signed with Chinese leaders gives new cause for concern.

Mr. Major's predecessor, Margaret Thatcher, agreed seven years ago to return Hong Kong to Chinese rule in 1997. A Chinese-British declaration promised that China would protect Hong Kong's autonomy and its capitalist way of life. It is fair to ask why Mrs. Thatcher, who two years earlier went to war on behalf of 2,000 Falkland Islanders, did not consult Hong Kong's people before signing them over to the same Communist regime from which many of them had originally fled.

After the hard-liners took power in China in 1989, they began leaning on colonial authorities to impose new restrictions. The Basic Law, a constitution-like document approved in 1990, provided for an overly slow introduction of democracy, and the Bill of Rights, approved this year, incorporated weakening amendments.

China tested Mr. Major's mettle as soon as he took office with demands for concessions on Hong Kong's new airport. The agreement he signed in Beijing increases China's voice in the colony's present affairs. While Hong Kong's economy will benefit from the airport, business confidence can only suffer from a pattern of rewriting the ground rules under Chinese pressure.

Limited legislative elections next week will provide Hong Kong's people with their first real say in their own future. The world would do well to listen to these authentic Hong Kong voices.

— THE NEW YORK TIMES.

Americans Don't Take Hostages

By William Safire

WASHINGTON — George Bush's Rosh Hashana message to Jews around the world: Until Israel signals its willingness, before direct negotiations begin, to give up the West Bank, the United States will deny credit guarantees needed to prepare to receive one million more Jews in their exodus from Russia.

Nobody puts it so baldly, of course. Americans would take offense if their president admitted holding the lives of a million harried and worried people hostage to his demand that Israel surrender its most cherished position beforehand. To demand a ransom of land for humanitarian aid would be diplomatic blackmail, never the way the United States has done business.

To conceal the nature of that hostage taking, Mr. Bush asks Congress for a four-month "delay" in consideration of Israel's urgent request for American co-signing of its notes to put roofs over the refugees' heads. But everybody knows that there is only one reason for the delay: to hang a sword of Damocles over the heads of Israeli negotiators who may resist a predetermined, Bush-imposed solution. This is clearly intended to put an agonizing choice before Israel: lose the land or lose the people.

Nobody suggests any other reason. The United States recognizes the plight of the Jews eager for emigration; no American politician wants the blood of any possible pogrom on his hands; rather than take them in the United States, Americans want them to go to Israel. And they are prepared to guarantee loans to help house them; that is not an issue.

But there is an issue before Congress: Is America, for the first time in its history, prepared to use humanitarian aid as a lever to force another democratic government to act against what it sees to be its interests?

Not so, insists the president; he merely intends to use the "delay" as a means to lean on Israel to forbid its citizens from moving to lands that the PLO claims. The continuation of Jewish settlements, in Mr. Bush's eyes, is an obstacle to the grand settlement that he has clearly in his mind and is determined, as the only superpower left standing, to impose.

Both Mr. Bush and the Israelis are well aware what a "settlements freeze" really would be. It is no mere pause in an activity that irritates Arabs, as the State Department likes to pretend it is; on the contrary, the day Israel bars Jews from moving to the West Bank is the day that Israel in effect gives up its claim to that disputed territory.

Everybody knows that, too; that is what the settlements fuss is about. To insist that Israel make Judaea and Samaria, including the outskirts of Jerusalem, verboten to Jews is to take the first long step toward the creation of a Palestinian state on that land, forever off limits to Jews.

That issue is one of those to be discussed at a face-to-face conference. Why, then, require that the issue be settled symbolically in advance? The White House answer is that settlements "inflame passions" and that such a concession is needed for the Arabs to come at all.

But Tom Friedman of The New York Times, who is far more even-handed than I, reports this fact: "In the last three months of diplomacy, Secretary of State Baker managed to talk the Arab states out of making a freeze on Israeli settlement building activity a precondition for their participation in the proposed peace conference, but he was not able to talk Mr. Bush out of it, officials said."

Can you believe it? George Bush's position on settlements is more pro-Arab than the Arab position. Hafez Assad of Syria was ready to meet Yitzhak Shamir of Israel without a settlement surrender in advance, but America's George Bush was not.

I am not among Secretary Baker's acolytes, but even he deserves some sympathy as he must be coming to the conclusion that there is no greater obstacle to peace in the Middle East than George Bush's obsession with forcing Israel out of the West Bank.

Obsession it must be, because there is no rational explanation for a one-sided policy that ought to abort the conference, or for threatening the futures — and perhaps endangering the lives — of a million innocents who want only to flee to freedom.

Decent people can disagree about the West Bank, but humanitarian aid delayed is aid denied. What new morality justifies the callous abuse of refugees to achieve some diplomatic aim? Congress should tell Mr. Bush that Americans are a principled people. We don't hold anybody hostage.

The New York Times.

Under the BCCI Rock

What crimes BCCI may have committed, and which of its officials may go to jail, is now a secondary issue. The larger and more troubling questions arise from the peculiarly slow and slack handling of this case by a long list of U.S. federal agencies, beginning with the Justice and Treasury departments. Justice Department prosecutors have now obtained indictments of six former officers of the Bank of Credit & Commerce International in a welcome although belated burst of activity. But why so little attention over the previous seven years?

The federal government began to pick up signals of money laundering at BCCI as early as 1984. In that year a former courier for the bank, recently fired, gave the Internal Revenue Service a statement and a handful of BCCI documents. The following year an Iranian drug merchant ushered a colleague, an undercover agent for the U.S. Drug Enforcement Agency, into a BCCI office in Los Angeles, where an officer explained to them the services that the bank could provide to the heroin trade. Also in 1985, similar undercover work brought investigators to a BCCI office in Chicago. Nothing much seems to have come out of these accumulating incidents.

In 1988 a Customs Service investigation in Florida finally led to indictments for laundering there. But again, the Justice Department never moved beyond that immediate case. Nobody seems to have been at all curious about the character of this bank, how it was run and what else it might have been doing. Nobody even seems to have looked through the files until recently. Representative Charles Schumer, a New York Democrat, has made public a report by the staff of his House Judiciary subcommittee noting that a review of the Drug Enforcement Agency's records has turned up, so far, 125 cases that show some connection to BCCI. Yet the bank was allowed to continue to do business in America and some 70 other countries around the world until two months ago.

There are doubtless many conceivable explanations for these remarkably slow responses. Bureaucratic rivalries and jealousies might have accounted for some of them. Inattentive administration may be part of the story, and pure lethargy. But there are also darker possibilities. BCCI showed a talent for subverting the process of justice in other countries, and it may have been working on something similar in America. The great and central job for the many investigations now focused on BCCI is to eliminate that possibility by disclosing exactly what happened, and why. Until that is fully accomplished, the BCCI case will be much more than a routine criminal inquiry.

— THE WASHINGTON POST.

From Africa Comes a Call for American Leadership

By Jim Hoagland

WASHINGTON — Not since Samson have so few pulled down so much around them as the Soviet Gang of Eight. The serial disintegration of their coup, the Soviet government and the 15-republic union itself in three weeks leaves international relations and structures as fluid and uncertain as they were at the end of world wars in 1919 and 1945.

America provided leadership then in establishing new world orders. Should — can — the supercautious Bush administration, which came to power pledging not to seek significant change in the global status quo, do that now?

Out of Africa comes a surprisingly clear positive response to that question. America both can and should, says A. Bolaji Akinyemi, one of Africa's most remarkable scholars and a former foreign minister of Nigeria. But America needs to follow its 1945 instincts and not those of 1919, he adds.

The ambitious global framework created after World War I failed because it vaunted order (and vengeance) over justice; that of 1945 endured because the United States insisted on combining order and justice by remaking Germany and Japan into democracies and by opposing colonialism.

Mr. Akinyemi made these points in a lecture he delivered to the Nigerian Society of International Affairs last month. His lecture provides the most stimulating analysis I have come across recently about the need and prospects for a new world order. That it comes from a Third World perspective makes it even more challenging and instructive.

Mr. Akinyemi's analysis reflects a refreshing new realism taking form in Africa as the Cold War fades. The familiar anti-imperialist rhetoric and ideology of the independence era follow apartheid and communism down the road to history's dustbin.

The United States became the dominant power in world affairs a decade ago, Mr. Akinyemi believes. But this became incontrovertible only with the declaration last year that Washington intended to work for a new world order. "For the United States to have started a drive for a new world order in 1990 signified that it was possible to restructure the existing system to further enhance the dominance of the United States," or at least to maintain its present dominance at a lower cost, Mr. Akinyemi argues.

But he does not reflexively use this realization as a platform to attack American inequity or warn of the threat of American might. The imploded Soviet Union and the ex-colonial Third World must recognize this reality and work with the United States to achieve "a world order based on a continuum between justice and order" rather than plead abstractly for justice and charity, he says.

Past calls for new international orders in economics, information and politics failed because they ignored international power realities and because of Africa's own contributions to its economic and political stagnation. Mr. Akinyemi cites five previous experiments in world orders — the Roman Empire, the Holy Roman Empire, the Congress of Vienna, the 1919 Treaty of Paris and the San Francisco Conference — that need to be studied as starting points for new international arrangements at the end of the 20th century. He recognizes that this list can be criticized as "Euro-centric."

"The fact is that, for better or for worse, the history of the world has been a manifestation of European political, economic, cultural and population expansion throughout the world ... Europe colonized the rest of the world; the rest of the world did not colonize Europe."

The relationship between power and the creation of global order "is a natural phenomenon and not the result of the wickedness of capitalism or socialism or racism." There is no "innate superiority of race, culture or ideas" for either those who dominate the global system or those who work to change it. "Power is like sand, a shifting phenomenon."

Although Mr. Akinyemi's focus is on the way dominant and disadvantaged nations interact, his words echo American debates over multiculturalism and the self-victimization of African-Americans as portrayed by Shelby Steele and others. The final decade of the 20th century opens with the promise of an unprecedented redefinition of the way ethnic groups, nations and races perceive and react to each other — for better or for worse.

The nearly simultaneous collapse of the totalitarian structures of white supremacist rule in South Africa and Communist control in the Soviet Union signify the arrival of a new era for Africa's role in the world and the world's role in Africa, for example.

This era provides the opportunity, and the need, for serious, constructive American leadership, à la 1945. But it will work only if the Third World gives self-enlightened support and cooperation to such an effort, à la Akinyemi.

The Washington Post.

Europe Needs Rules and the Teeth to Enforce Them

By François Heisbourg

LONDON — Civil war in Yugoslavia demonstrates the explosive potential of ethnic and territorial disputes in post-Cold War Europe. The republics of the former U.S.S.R. are now beginning to follow, on a vastly increased scale, the road opened by the overthrow of communism in Central and Southeastern Europe.

If the fighting between Serbs and Croats is to be contained, and its repetition on a much larger scale avoided, new rules of conduct will have to be established, old rules reinforced and Europe's institutions given the political and military teeth to enforce them.

New rules of conduct should focus on elaboration of a European bill of rights for minorities, which would be adopted and guaranteed by the only existing pan-European institution, the Conference on Security and Cooperation in Europe. A European court of minority rights could be modeled on the Council of Europe's successful Court of Human Rights.

Such a statute will make an already established rule, that of the inviolability of existing borders, both more palatable from the viewpoint of ethnic minorities and more readily enforceable. That rule, enshrined in the CSCE's Helsinki declaration in 1975, should be further extended: The borders of the ex-Soviet and Yugoslav republics should be similarly declared inviolable by the CSCE.

The best of rules are useless if there are no means to enforce them. Three measures could be considered:

- Although the CSCE functions on the basis of consensus, the recent changes in the ex-Soviet Union should make it possible to moderate that rule in exceptional cases, for example when one of the members is in gross breach of its CSCE obligations. The model here should be the Council of Europe, which expelled Greece after the military coup in 1967 and in later years took measures against Turkey's violation of human rights.
- The CSCE is probably too cumbersome a body to have its own military forces. However, possibly acting in conjunction with the UN Security Council, the CSCE could approve or mandate military action by other regional bodies. The sending of European Community observers to Slovenia and Croatia, initially at the behest of the CSCE, was a small first step in this direction.

The Western European Union, whose nine members all belong to the European Community, could provide the political and, with some preparatory work, the organizational framework for such military action. The WEU's members are also members of NATO, a fact which can facilitate Euro-American consultation in the North Atlantic framework.

- Although military intervention may become necessary to enforce the CSCE's rules, by the time the use of force has to be contemplated the situation may already be beyond retrieval, as is probably the case today in Yugoslavia. When that stage is reached, any outcome will in all probability leave the protagonists worse off than if they had compromised beforehand. The European Community is the only body that may have the possibility to force such compromises.

Not only does the Community have the economic power to make an eventual aggressor think twice before cutting itself off from the European mainstream. Most importantly, eventual membership in the Community is one of the few appealing visions of the future available to the ex-Communist states and their populations. If Poland is not claiming territory that belonged to it before 1939 from Lithuania, Byelorussia and the Ukraine, it is in part because such irredentism would cut off Poland's reach toward the EC.

The flip side of the argument is that if membership is seen as impossible, such restraint may cease to operate.

□

President François Mitterrand, with his plan for a European confederation, has suggested one approach that could have alleviated this problem. His proposal has, however, been the victim of a frosty reception from the new democracies. It was seen as an unsatisfactory remake of the CSCE, since it excluded the Americans, and it was portrayed as a poor substitute for Community membership.

Since the confederation proposal doesn't fly, sustaining the Community's attracting and pacifying influence in the new democracies may entail the opening of the prospect of membership to practically all European countries. This would mean, over the next quarter of a century, assuming that economic reform succeeds in the ex-Communist states, a Community of 30 or more members. Such a large Community would become unworkable unless it developed rapidly into a construction as tightly knit as the United States of America — and that is simply not a prospect.

The only workable alternative may be the formalization of a two-speed Community in which only a limited number of states would move to economic and political union.

If the EC is seen as an inaccessible club, irredentism and ethnic conflict will be much harder to restrain. Nor is it enough to say that the best insurance against conflict in ex-Communist Europe is to promote economic rebirth and prosperity. The opening of the EC to trade from the new democracies is one of the most effective sets of measures to be taken, and the failure of the EC's members to go far enough in this direction is all the more scandalous. But although it is true that the primacy of successful economic transformation is, in the long run, the best guarantor of stability in Europe, ethnic and territorial conflicts unfortunately do not tend to wait long enough for economic measures to take hold.

In turn, civil strife will derail the best-laid plans of economic reform — as has already happened in Yugoslavia. Addressing immediate security concerns in their political and, alas, possibly military dimensions is one of the conditions of successful economic and political transformation in ex-Communist Europe.

The writer is director of the International Institute for Strategic Studies. He contributed this comment to the International Herald Tribune.

Medicine Fit for Women

The average American woman can expect to live longer than the average man. She can also expect to feel miserable a good part of that time. The reason isn't necessarily her age. Often it is because she has an ailment that might have been prevented and could surely be treated — had men not been used as the normative standard in medical research.

Coronary heart disease, for example. Two recent studies showed that doctors treated women with heart disease less aggressively than they treated men — even though in the women the disease tended to be further advanced. The women were half as likely to undergo cardiac catheterization and much less likely to have bypass surgery or a procedure to unclog blocked arteries. One reason is a woeful ignorance about heart disease in women; most of the studies have been carried out in men.

Or take clinical depression. Women seem to suffer from clinical depression more often than men, but the research on anti-depressants was initially done only with men. Now there is evidence that the effects of some anti-depressants vary during the menstrual cycle, which means that a dosage can be too high at some times and too low at others.

Or take high blood pressure. A recent review of seven major studies found that treatments that work for men may be ineffective or even harmful for white (though not black) women. True, the conclusions are tentative — but that is because there is very little good information at all on treating hypertension in women.

Bernadine Healy, a cardiologist and the director of the National Institutes of Health, calls this presumably inadvertent sex bias the "Yentl syndrome" — after the famous I. B. Singer story — and cites coronary care as a particularly telling manifestation of it. Just as the girl, Yentl, had to masquerade as a man to get an education, so a woman has to experience a full-scale heart attack like a man before she can get equal treatment. Writing recently in The New England Journal of Medicine, Dr. Healy listed other ailments especially attendant on elderly women. Many receive, if not unequal treatment, unequal attention. Osteoporosis, 90 percent of whose victims are women, is one; depression and general frailty are others.

Last week more than 100 physicians and researchers met in Hunt Valley, Maryland, to call attention to such inequalities and develop recommendations for the Office of Research on Women's Health, a component of the NIH. If the office is very new, the problems it addresses are very old. Too bad it has taken so long for science to recognize them.

— THE NEW YORK TIMES.

Opened Scrolls at Last

The team of scholars charged with publishing the Dead Sea Scrolls has sown bitterness the world over with the way it has managed the 2,000-year-old scrolls, which it took control of in the early 1950s not long after the first of them were discovered in caves along the Dead Sea's western shore. Clannish and slow, the team dribbled out its findings, rebuffing inquiries from scholars who feared that they would finish their careers without seeing the most important biblical discovery of their lifetime — and what it might reveal about the origins of Christianity and Rabbinic Judaism.

Amazingly, however, two scholars at Hebrew Union College in Cincinnati have now broken the scroll cartel. The two, Ben-Zion Wacholder, a professor of Talmudic studies, and his research associate Martin Abegg, created a computer program that reconstructs what the scrolls say from a concordance — a dictionary-like listing that includes all the words appearing in the scrolls, along with details about where the word appears and the context in which it is used. The first volume of the reconstructed text has just been published by the Biblical Archeology Society in Washington. More will be forthcoming as the researchers press on with their work.

These developments also bring fresh grounds for skepticism about the scroll committee's motives. The concordance came to light in 1988 but was compiled almost 30 years earlier. This delay helps explain why nearly half the scrolls still languish unpublished in a Jerusalem museum. It also suggests that the members of the team are more interested in their own control than in prompt dissemination of their findings.

Some on the committee might be tempted to charge the Cincinnati scholars with piracy. On the contrary, Mr. Wacholder and Mr. Abegg are to be applauded for their work — and for sifting through layer upon layer of obfuscation. The committee, with its obsessive secrecy and cloak-and-dagger scholarship, long ago exhausted its credibility with scholars and laymen alike.

The two Cincinnatians seem to know what the scroll committee forgot: that the scrolls and what they say about the common roots of Christianity and Rabbinic Judaism belong to civilization, not to a few sequestered professors.

— THE NEW YORK TIMES.

The Dead Sea Scrolls Belong to Us All

By Hershel Shanks

WASHINGTON — "What else would you call it but stealing?" asked John Strugnell, former editor in chief of the Dead Sea Scroll publication team who was fired for describing Judaism as "a horrible religion" and "a Christian heresy [that] should have disappeared."

What he claims were stolen, by me and my associates, are transcripts of the Dead Sea Scrolls made more than 30 years ago by his team of editors. We are stealing them, according to Mr. Strugnell, by publishing them.

The first step in researching ancient documents is to make a transcript — a copy of the letters (in this case, Hebrew letters) that appear on the documents. This is necessary because many letters are unclear, hard to read, erased or written over. Once they are transcribed they can be read easily — although not necessarily easily translated or understood. In the ensuing translation and interpretation, missing parts are reconstructed, errors in the transcripts are corrected and sometimes changes are made.

By the late 1950s, the Dead Sea Scroll editorial team had transcribed all the texts. But they kept secret not only the transcripts but the very fact that they existed. After nearly 40 years, the team has released only about 20 percent of the texts they were assigned to publish.

In the late 1950s, the editorial team hired four young scholars to make a secret concordance of these transcripts. A concordance is an alphabetical list of each word in the texts with a notation as to where each word appears and the words adjacent to it.

In 1986, having heard rumors of a Dead Sea Scroll concordance, I asked the director of the Israeli Antiquities Department about it. He denied any knowledge.

In 1988, a very small edition of the concordance was printed. From this concordance, with the help of a computer, Professor Ben-Zion Wacholder of Hebrew Union College in Cincinnati and a graduate student, Martin Abegg, reconstructed the transcripts.

The Biblical Archaeological Society is now publishing this reconstruction. And this is what we are accused of stealing.

But we are taking only what is rightfully ours. The men who were entrusted with these documents were not given title to them, although they act as if they own them. Several of them have died and bequeathed their "publication rights" to faithful colleagues. They have even given some of the treasure to their graduate students to research — a prestigious assignment, indeed — while denying senior scholars access.

I believe that under international law these editors are trustees, fiduciaries. The real beneficiaries of this trust are all people whose heritage is illuminated by these precious texts — not an elite group of scholars nor even a single country, culture or religion.

In making these transcripts they were furthering their fiduciary assignment; they were working for us. By keeping them secret for so long they have breached this trust and violated their obligation to mankind. It is they who are the lawbreakers. It is they who are stealing from all of us, not we from them.

They have an easy means of exculpating themselves — by simply making available photographs of the unpublished texts to anyone who is willing to pay for a copy. As it happens, the editors recently turned down an offer of $100,000 from a major American philanthropic foundation to publish a volume of the photographs. The question remains: Why do the team editors insist on this secrecy?

The writer is editor of Biblical Archaeology Review and president of the Biblical Archaeology Society. He contributed this comment to The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1891: Saluting New Chili

VALPARAISO — The United States flagship saluted the Chilian flag with twenty-one guns yesterday [Sept. 9], and a shore battery returned a similar salute. The banks are still closed. The Junta say they have no power to recognize deposed President Balmaceda's note issue. It is reported that the property of Balmaceda's late Congress will be confiscated. All appointments and contracts made by Balmaceda's Government this year are illegal.

COPENHAGEN — The Chilian man-of-war El Presidente Pinto arrived here yesterday [Sept. 8]. The forts did not reply to her salute, and she left to-day, followed and escorted by the Danish cruiser Hekla.

1916: Control of Wires

ATHENS — Control of the telegraphic service in Greece is now in the hands of the Allies. The Greek Minister of Marine issued an order to the Greek warships forbidding the employment of wireless telegraph. The Kozani telegraph office has been occupied by the French. Hellenic subjects charged with forming part of the German propaganda service have been arrested and examined.

1941: Soldiers' Tears

LONDON — [From our New York edition:] Several French officers and men who escaped from Nazi prison camps more than a year ago and had since wandered forlornly through hidden byways of Europe have been brought back to Great Britain by the Spitzbergen expedition and will join the Free French Forces of General de Gaulle. The prisoners made their escape "in dribbles and met later." With tears of joy the ragged men recognized the British ship and went to meet it. A few tried to sing "God Save the King" but choked with emotion. "It is said that man always has two fatherlands — his own and France. I say we now have our two — France and Britain," said a French soldier.

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OPINION

America First: Let the World Get By Without Uncle Sam

By Patrick J. Buchanan

This is the second of two articles.

WASHINGTON — Americans need to start asking basic questions before barging into other people's neighborhoods and involving themselves in other people's quarrels. First among them: Why is this our problem? North Korea building a crude atomic bomb is a dreadful idea. But why is Kim Il Sung's bomb, first and foremost, a problem for the United States rather than for South Korea, Japan, China and Russia?

With the Democrats offering no policy, the Republican establishment — interventionist and internationalist down to its topsiders — is going to have its run in the yard. But "disorder" and "instability" as enemies cannot cut it. Sorting out bloody ethnic quarrels in Central Europe or South Asia is not a "mission" for which Americans are going to send their sons to fight.

"Americans are endlessly resourceful in trying to escape the responsibilities that history has placed on their shoulders," says the columnist Charles Krauthammer. Indeed they are — for deep in their psyches is buried the wisdom of their fathers, that "permanent alliances" and "foreign entanglements" are to be avoided.

At the American Enterprise Institute and at Brookings and Heritage Foundation seminars, phrases like "America First" may yet get a big howl — as the boys decide the fate of the Punjab — but in a nation that has not seen real growth since Old Dutch rode off to Rancho Cielo, questions are being asked: What are we getting for $15 billion in foreign aid? Why, 46 years after World War II, are we defending Germany and Japan while they steal our markets? Why must we pacify the Gulf when women walking dogs in Central Park are slashed to death by bums?

All that bunkum about what history "placed on our shoulders" sucked the Brits into two wars, and left them living off Uncle Sam's food stamps. If America does not wish to end her days in the same nursing home as Britannia, she had best can this Beltway geo-babble about "unipolarity" and "our responsibility to lead." And if the heirs of Bob Taft and Barry Goldwater intend to enlist in a new global crusade, don't expect the girl to be there when you get home.

What of the ridiculed concept of America First? Well, just as the nation was not ready for Barry Goldwater in 1964 but was more than ready for Ronald Reagan in 1980, its time is coming. Mark it down. The incivility and brutality of America's cities, the fading away of the Reagan boom, the rise of ethnic hatred are concentrating the minds of Americans on their own society. What doth it profit a nation if it gain the whole world and lose its own soul?

America First is an idea that engages the heart, and the mind. It invokes tradition; it appeals to patriotism; it is rooted in the Fathers' idea that Americans are to be sent abroad to fight only when Americans, or their vital interests, are at risk.

And the outlines of a new foreign policy are taking form. Situated on an island continent, the greatest trading republic in history has a vital interest in freedom of the seas. It must maintain the world's greatest navy and air force. Because of the missile threat, America should be first in space. Nor can it let its supremacy in technology be lost.

But the time has come to review all treaty obligations dating from Iron Curtain days, recommitting the United States to defend only those regions that are critical to its own security.

- It should dissolve the Rio Treaty and rewrite and narrow the Monroe Doctrine to the north coast of South America, the Carribean, Mexico, Central America. Cuba should be the last foreign colony. When Fidel Castro goes, no more.
- America should announce a date certain for withdrawal of all U.S. ground forces from South Korea. If North Korea, with 10 percent of the GNP and half the population of the South, strikes across the demilitarized zone, why should boys from Anacostia and Idaho be first to die?
- The mutual security treaty with Japan should be abrogated. And if the smaller nations of East Asia, fearful of Japanese or Chinese hegemony, want a U.S. fleet presence, they can pay for it. If Manila insists on more bribes for Subic Bay, let's go home to Guam, Midway and Pearl.
- Despite pleas from America's new friends in Poland, Hungary and Czechoslovakia to join NATO, the U.S. nuclear umbrella should be extended no further east. Dwight Eisenhower would not fight in Hungary in 1956, and today's Americans are not going to fight in Eastern Europe.
- In return for a pullout of all Soviet troops from Eastern Europe, the Baltics and the Ukraine — giving Germany a second belt of neutral states between her and Moscow — the United States should pull all troops and atomic weapons out of Europe, deed NATO over to the Europeans, reclaim freedom of action in deciding whether to go back in the event of war.
- Washington should end all foreign aid. The Agency for International Development should be shut down, most of the USIA pensioned off. America should pull out of the African and Asian and Latin American development banks. If Uncle Sam wants to guarantee loans, set up an Arkansas Development Bank or a West Virginia one.
- Congress should halt new grants to the IMF and the World Bank, and demand a hard balance sheet from each, with loans written to market value. Both are global S&Ls, and Americans are going to have to pay off the lion's share of the lousy paper.

"But Germany and Japan will go nuclear," comes the cry. True. Unless Americans intend to keep American cities at risk, eternally, to defend Germany and Japan, that day is coming. What better time to shift the burden? Americans lived with nuclear weapons in the hands of Stalin and Mao. Why fear them in the hands of Kaifu or Kohl?

Such ideas may seem radical, but some establishment thinkers are drifting in the same direction. William Hyland, editor of Foreign Affairs, is calling for selective disengagement from commitments abroad. James Reston of The New York Times is insisting that the "main threat to our nation's security [comes] from within."

America needs relief from commitments and alliances, Alan Tonelson writes in The Atlantic, that siphon "more wealth out of this country" than they bring in. We need, he says, a new "interest-based thinking" that reflects "the manifest (if seldom articulated) wishes of the great majority of Americans rather than those of the small, privileged caste of government officials, former government officials, professors, think tank denizens and journalists whose dreamy agenda has long dominated foreign-policy decision making in America." Amen.

What Americans must not do is re-create patterns fitted to an age that is over. Powerful as she is, America cannot dictate the shape of the world to come. Nor should it try. Like surfers, it needs to watch the great waves roll in, closely, to discern the elemental forces at play, and to ride those that move mankind to ends commensurate with America's values: freedom, liberty, self-determination.

America's war, the Cold War, is over. Time for America to come home.

The Washington Post.

Time for Self-Examination, Without a Crystal Ball

By Alan Tonelson

WASHINGTON — Although the second Russian revolution crowned America's victory in the Cold War, its confusing aftermath has highlighted a fundamental flaw in U.S. foreign policy.

For nearly 50 years, American leaders and officials of all political stripes based their global prescriptions primarily on analyzing what Washington could never hope to know: the nature of Soviet objectives and the future of the Soviet system. Now America urgently needs a policy that analyzes something it can hope to know: its own national interests.

The most important postwar blueprint of American foreign policy, George Kennan's 1947 "X" article, justified containment by portraying the Soviets as bent on world domination. Throughout the Cold War, people who disagreed with American policy simply came up with their own theories of Soviet behavior, depicting the Soviets as insecure and even paranoid but nonetheless pragmatic and amenable to standard diplomacy. Even with the hard-liners routed in Moscow and the traditional Cold War over, speculation about Soviet behavior, whether benign, hostile or uncertain, still seems to drive U.S. military and foreign policy.

George Bush, for example, has said he will not scale back current Pentagon spending in light of the failed coup. Earlier, the administration took another tack, justifying modest military spending cuts almost exclusively on the basis of Mikhail Gorbachev's reforms. For their part, many critics of the administration cited the same Soviet developments to argue for a much more dramatic shift in national priorities to domestic needs.

The focus on threats, whether reduced or heightened, rather than interests leads to confusion. Even accurate predictions about the Soviet Union would tell America nothing about its own imperatives, as was learned last year when Iraq invaded Kuwait.

Today, why aren't Americans more concerned, for example, about the spread of missile technology, which could enable many countries to jeopardize American interests and even American territory?

During the Cold War, U.S. policies encouraged costly American military involvement in numerous trouble spots — Vietnam being by far the costliest — where no important American interests were at stake. Since the failed coup in Moscow, American hawks, citing new Soviet uncertainties and the world's almost limitless capacity for generating violence, have claimed that this is no time to cut military spending.

Some liberals counter that the main U.S. interest is in aiding the Russians — either by using funds that would otherwise go to the U.S. military to facilitate the economic and democratic transition, or through a more ambitious aid program. But Americans, weighed down by deficits and by pressing domestic ills, cannot afford to listen to either group.

In any event, no popular support exists for the tax increases or domestic-spending reductions needed to finance high levels of Pentagon spending, or a proposal to shift military funds to foreign aid.

The way out, and the key to avoiding the mistakes of the past, is to spend less time gazing into a crystal ball and more time attending to foreign policy objectives that matter to America regardless of what happens in Moscow. The United States needs to respond only to Soviet actions that would directly and concretely affect U.S. security and prosperity, such as fragmentation of the Soviet nuclear command or future troublemaking in the Caribbean. And it should devote its efforts to real interests, such as reducing dependence on unstable regions — for example, the Gulf.

Other great powers must always be watched carefully, but only thinking about America's own interests can give U.S. foreign policy the discipline that is now so urgently needed.

The writer, research director of the Economic Strategy Institute, contributed this comment to The New York Times.

Stop the Rod at 12 O'Clock, Hope Nobody's Watching

By Tom Brokaw

NEW YORK — If fishing is a religion, fly fishing is high church. As a late convert I had no early appreciation of the complexity of the theology, the poetry of the liturgy or the devotion of the faithful.

As a worshiper I am still confined to the back pews, in awe of the solemnity of the rituals, and a little bemused.

Until I took up fly rod and waders a few years ago, bait and lure fishing was a pastime but not a passion of my youth. Night crawlers and minnows, spinning rods and reels.

About the time I was mastering what passes for the esoterica of spin fishing, girls began to quicken my heart more than walleyes, bass and crappies.

So I set aside my tackle box, one-piece rod and reel loaded with monofilament line and turned away from fishing for more than 20 years.

Occasionally, I would reflect on those days of innocence when 15 cents

MEANWHILE

of paper-route earnings bought two dozen minnows at Wilson's Landing on Lake Andes, a long, shallow body of water on the South Dakota prairie.

Mrs. Wilson, a stout farm lady, always gave a generous count and threw in a butterscotch candy or two. I would spend a hot Saturday morning at the end of her dock, hauling in a dozen crappies and bluegills.

When my mother complained that I was avoiding household chores, I heatedly replied, "Hey, I'm putting food on the table." She was sufficiently amused by the seriousness of my answer; she let the chores slide for another week.

More adventurous fishing could be found in the deep, dark currents of the nearby Missouri River.

I would cast a long line with a heavy sinker and a juicy night crawler to the depths of this ancient stream or quickly retrieve a silvery spinner, never sure what would strike. Sauger pike, drum, skipjacks, sturgeon, ling eels, catfish. The catch of the day was almost always a mixed stringer.

So it was a long leap in time, technique and equipment from those youthful fishing experiences to a middle-aged infatuation with fly fishing.

It began, I think, when driving through Montana at dusk I saw a lone fisherman in a bend of the Yellowstone River, casting to the rising trout as the setting sun enveloped the stream and surrounding broad valley in a soft amber glow.

It was then I understood the opening lines of the late Norman MacLean in "A River Runs Through It," his classic 1976 novella on fly fishing and sibling rivalry.

He wrote, "In our family there is no clear difference between fly fishing and religion." Mr. MacLean explained how his father, a Presbyterian minister, had taught his sons to fly fish: "He told us about Christ's disciples being fishermen and we were left to assume, as my brother and I did, that all first-class fishermen on the Sea of Galilee were fly fishermen and that John, the favorite, was a dry fly fisherman."

What I did not understand then is that many fly fishermen, or at least many of those who write about it, approach the sport with the same spirit of religiosity — if not always the same eloquence.

Of course, the language, the tools and the elements of fly fishing are conducive to seriousness of purpose.

There is an inherent poetry in riffles and pocket water, caddis hatches and emergers, six-weight line and ferrules, rising trout and running fish.

Even so, the gravitas does get a little wearying at times. Is it my imagination or are almost all stories about fly fishing told in hushed tones in pristine settings where man and trout are engaged in a solitary test of wits that, whatever the outcome, has a deeper meaning than mere fishing?

I prefer the approach of the late Red Smith, who described a Florida Everglades fly fisherman who cast for six-foot alligators on a seven-and-a-half foot fly rod and landed them on six-pound test line, returning them unharmed except for a cracked lip that hurts only when the gator laughs.

It pleased me to read Thomas McGuane's recent account in The New York Times of burying a hook deep in his own scalp on a wind-lashed back cast.

We fly fishermen should always find a few laughs at our own expense. That captures the utter impotency that sweeps over so many of us as we attempt to tie a blood knot in bright sunlight and a high wind in a fast stream.

Or those of us who confess to the flies we have left behind in trees, shrubs, even high grass at stream side. Does anyone speak for the fly fisherman who wades into promising water, inspects the hatch and having no idea what it is, ties on a big white fly because at least it will be easy to see?

If I were to publish my fly fishing memoirs I would have to include a memorable moment on the Snake River when I decided to give an approaching raftload of tourists a close-up look at a novice casting master.

I kept a firm wrist, stopped the rod at 12 o'clock on the backcast, loaded the line and shot it forward only to watch in horror as two pieces of my three-piece rod flew out into the middle current just as the raft drifted past. The passengers looked bewildered.

I kept my composure, as if to suggest that what they'd seen was an illusion.

The writer is the anchor of "NBC Nightly News." He contributed this essay to The New York Times.

LETTERS TO THE EDITOR

Kennan's Green Thumb

Regarding "Kennan and the Gardeners: History Is Finally Catching Up" (Opinion, Sept. 5) by William Pfaff:

Mr. Pfaff's column was an extraordinary encomium for George Kennan. It was a fine piece of writing and showed a deep appreciation of the workings of history.

Mr. Kennan was enthusiastic about the Russian people. He distinguished between warped leadership and the bewildered, voiceless populace. His call for "containment" in 1946 was largely misread because Americans and Europeans alike were tired of Stalin's imperial thrust and decided to hold it at bay militarily.

The West's military and intelligence analysts always overestimated the strength of the Soviet leadership. In the end the Soviet Union rotted and collapsed from within rather than from pressures imposed by the West.

Mr. Pfaff's strongest point is that Mr. Kennan's deep intellectual approach and his fundamental decency have, in history's book, upstaged militaristic solutions. Mr. Kennan was a gardener in human relations, not a tinkerer.

EDWARD RAPP.
Duras, France.

Somalia: Attend to the Tragedy

While the world watches Russia and Yugoslavia, a tragedy is unfolding in northeastern Africa. Somalia is riven by internal strife as clans and tribes fight each other in the wake of the overthrow of President Mohammed Siad Barre. The British Horn of Africa Council, of which I am honorary secretary, has received reports that in Mogadishu alone, up to 100 people are shot each day. With this carnage the temperature of internecine hatred also grows.

What is needed is intervention before the country tears itself apart, and that intervention can best come from the European Community. The EC has had a say in the tragic affairs of Yugoslavia. So why not in Somalia?

LOUIS DILLON FITZGIBBON.
Brighton, England.

The Baltics' Holocaust History

Now that the Baltic states are regaining independence, will they make amends for the atrocities against their Jewish citizens perpetrated during the Holocaust? Often they exceeded the Germans in brutality and cruelty. Many of the atrocities on their soil were carried out not by Germans but by the local population.

Will the governments of the Baltic states offer compensation to the few survivors of the extermination of the large Jewish communities of Tallinn, Kaunas, Riga and other centers? Will they open up the archives that document their crimes during the Holocaust? This would seem to be the minimum price their governments should pay for readmission into the community of civilized countries.

MANFRED H. LEHMANN.
Nairobi.

Qualifications of the Prince

Regarding "Who Will Lead the UN" (Letters, Sept. 3) by Mahmoud Kassem:

It is scarcely surprising that a fellow Egyptian and sometime colleague of Butros Butros Ghali should recommend him for the post of United Nations secretary-general, or that someone still under the spell of Gorby-mania should recommend him.

Luckily, one candidate for the position is uniquely qualified: Prince Sadruddin Aga Khan. Having spent his entire working life in international affairs, and as UN High Commissioner for Refugees for 12 years, he combines a thorough knowledge of the Third World with extensive practical experience.

A man as cosmopolitan and compassionate as the prince would be the ideal leader for an organization which, after so many years of being disdained as a forum of bias and empty rhetoric, has finally begun to fulfill its purpose.

GERARD MENUHIN.
Gstaad, Switzerland.

There's Misery in America, Too

Regarding the report "U.S. Homeless: Hard Times, Hard Lines" (Sept. 3):

I have lived in Brussels for six years, but travel frequently to New York (having spent most of my life in neighboring New Jersey). I am increasingly appalled by the sight of people lying in the gutters of the city, particularly near the Port Authority bus terminal. Walking the few blocks from Eighth Avenue and 31st Street to Broadway makes even the hardened New Yorker feel he or she is in a combat zone.

Yet I feel compassion for those unfortunate people. President George Bush, I see, plans to send compassionate medical aid and food to our Russian brethren. But what of the problems we Americans face in our own country? Shouldn't we feed and shelter our own homeless citizens before worrying about the Russians?

ANITA BRENNER.
Brussels.

If One Farmer Can Plant . . .

Regarding "Vonnegut on Shooting Pool in an Asylum" (Features, Sept. 4):

Please tell Kurt Vonnegut that he doesn't have to "blow his brains out." The answer to the potato problem is 30.86 nine-hour days, or about the month of October.

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DOWN

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Solution to Previous Puzzle

A	S	T	A		C	L	A	R	A		S	A	L	E
R	O	A	R		L	U	R	E	D		O	L	A	V
M	A	R	E		A	N	I	T	A		F	A	R	E
	P	A	N	A	M	A	L	I	M	I	T	E	D	
		A	L	P			R	E	N	E				
F	A	L	S	E		E	K	E		A	N	S	E	R
I	R	E		E	G	O		P	L	E	N	T	Y	
R	E	A	D	I	N	G	R	A	I	L	R	O	A	D
S	T	R	I	D	E		E	R	N			O	P	E
T	E	N	S	E		A	A	R		R	I	P	E	R
		T	A	R	P			S	A	C				
	T	H	E	S	U	P	E	R	C	H	I	E	F	
G	O	O	N		B	E	T	T	E		E	R	I	N
B	R	E	D		L	A	T	E	N		S	I	N	O
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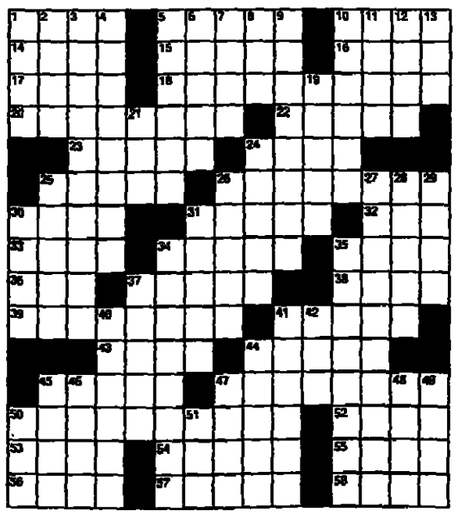

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NYSE

Tuesday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

(Continued on page 12)

NYSE Highs-Lows

NEW HIGHS 45

ATMOS	CIGNAHI	CwE 724pr	Constar
CmrCrd pf	DataGeni	DelmarPL	Det Edison
DukeP pfN	Ecolab	ElPaAult n	GelcoblLw pf
GenSignal	GerberSci	Goodyear	GrtSchalk
HelenaCur	HoustInf 62s	IllPw pfP	MFS Sect n
McKesso	MerFrst s	MetEd pfG	MetEd pfJ
MylanLab	NSPw 478pf	NSPw 415pf	NuevEngy
OhEd 828pf	OhPw 776pf	PhEI 765pf	PhEI 968pf
PhEI 780pf	PiedmtNG	Prentice n	PutnDvPr
Roch GasE	Shawbost	Singer n	Sprague Tc
StdFdBk	Synovus	Tech Sym	UDC pf
UnElPfL			

NEW LOWS 9

ARX Inc	CMS Engy	CamelCos pf	NS Group
Nortek	OccIP 14pf	SoeastBk	SunshMn pf
Unit Inns			

AMEX Highs-Lows

NEW HIGHS 29

ALC Com wi	Ablamed	AmTr-an prm	ArizLnd
BarrLab	BergstrmCap	CIM HiYld	CdmMang
CitogelHld	Courtaulds	ElgnCp	Elan un
EmsCorp	InstrSyst	LINVidAd	Medchem
MidSandCos	PoCoEm 7Adr	PGE 125pfD	PGE 222pfV
PGE 250pfQ	Polaroid nt	PrbSH n	PutStor 18 n
Seaport pf	SCE 108pf	Unimar	US Filtr s
WCI Hld pf			

NEW LOWS 14

AmTr-hwa sc	Banistrin o	CentyComm	Cflco wtY
EmerElCu wi	Ford wtY92	GECa wtY	MIP Prop
vINewLew	PrgsCapTr	Spartech	Tenera
WellsGard	XerexCur wt		

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INTERNATIONAL STOCKS

Diversification Formula Boosts Profit at Bayer

By Ferdinand Protzman
New York Times Service

BONN — When the year began, the outlook for Germany's chemical sector was gloomy. War in the Gulf threatened to disrupt the supply and price of crude oil: exchange-rate trends looked unfavorable; recession was biting into profits in the United States and other markets, and the domestic chemical market was sluggish.

Despite the dismal background, Hermann J. Strenger, chairman of Bayer AG, said he was "cautiously optimistic" about his company's near-term prospects.

After taking the helm at Germany's third-largest chemical company in 1984, Mr. Strenger tried to insulate Bayer from the ups and downs of the economic cycle. He guided the company into specialized high-value areas such as pharmaceuticals, polymers and agricultural chemicals, putting less emphasis on businesses such as fibers and bulk industrial chemicals.

The chemical company's profit is largely from areas cushioned against the economic cycle.

On Friday, Bayer said Mr. Strenger, 63, would retire in April and be succeeded as chairman by Manfred Schneider, a member of the company's board who is responsible for marketing. Mr. Strenger will become chairman of Bayer's supervisory board. The announcement comes as Mr. Strenger's strategic moves appear to be paying off and a growing number of chemical industry experts are recommending the company's stock.

"The outlook for Bayer is brighter than for other German chemical companies because it has excellent management and is more diversified," said Ulrich Lange, a chemical equities analyst with Commerzbank AG in Frankfurt. "It is heavily involved in consumer areas such as pharmaceuticals and health services. About two-thirds of Bayer's earnings now come from areas that are cushioned against the economic cycle. This is helping them weather the downturn and makes the prospects for 1992 look good."

COMMENTS LIKE THOSE have helped push Bayer's stock price up from a low of about 213 Deutsche marks a share in the winter to a close of 247.60 DM on the Frankfurt Stock Exchange on Monday. Bayer's highest price this year was about 290 DM during a midsummer rally.

Some analysts said Bayer was simply benefiting from the improved outlook for chemical companies generally. Sales and earnings are also expected to perk up in the latter half of this year at BASF AG and Hoechst AG, which are first and second, respectively, in size among German chemical companies. While a brighter economic climate will help all the chemical companies, the consensus is that Bayer will outperform the others during the next year.

Some supporting evidence for this view arrived last month when the three companies released first-half earnings. Bayer's group sales rose to 22.22 billion DM in the first six months of this year, up 2 percent from the comparable 1990 period. Pretax profit was down 3.2 percent, to 1.9 billion DM, but analysts said profitabilility had been rising slowly and steadily since the first quarter.

Sales at BASF and Hoechst showed small increases, but pretax profits were off 10.6 percent at BASF and 22.3 percent at Hoechst.

Pharmaceuticals explain the difference. "That's what is exciting about Bayer right now," said Alasdair Nisbet, chemical industry analyst at UBS Phillips & Drew in London.

"Profits in the pharmaceutical division are rising largely because of two hot-selling new drugs, Adalat, a heart medicine, and an antibiotic called Cipro, or Ciprobay in some markets," Mr. Nisbet said.

The sales of Bayer's health division, which includes pharmaceuticals, rose 11 percent in the first half of 1991. Polymer sales rose 12.8 percent. Those trends are likely to continue into 1992.

CURRENCY RATES

Cross Rates

Sept. 9

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.9185	3.3135	1.1265	0.3312	0.1508 *	—	5.4685 *	1.2817	1.4214 *	1.666	1.8025 *
Brussels	35.1125	60.615	20.582	6.0565	2.758 *	18.27	—	23.4475	0.2639	30.8225	32.945 *
Frankfurt	1.7609	2.945	—	0.2941	0.1339 *	0.8878	4.855 *	1.1396	1.263 *	1.4996	1.601 *
London (a)	1.7295	—	2.9373	9.9971	2,195.00	3.3094	60.55	2.5832	233.33	1.9684	183.42
Madrid	106.482	183.942	62.408	18.367	8.36 *	55.65	3.033	71.115	78.996 *	93.609	—
Milan	1,276.45	2,199.75	747.25	219.68	—	663.32	36.279	850.50	n.a.	9.438	11.564
New York (b)	—	1.7323 a	1.6935	5.76	1,266.80	1.908	34.89	1.4857	134.62	1.1482	105.88
Paris	5.8095	10.0135	3.4012	—	0.4552 *	3.0191	0.1652	3.8732	4.295 *	5.10	5.4465 *
Tokyo	135.20	232.95	79.86	23.27	0.106	70.22	3.882	90.86	—	118.76	1.2689
Toronto	1.1386	1.9743	0.6735	0.1978	0.98 *	0.5972	3.246 *	0.7671	0.8463 *	—	1.076 *
Zurich	1.4995	2.5844	0.8877	0.2582	0.1176 *	0.7792	4.2618 *	—	1.1095 *	1.3171	1.4049 *
1 ECU	1.203	0.6972	2.0539	6.982	1,533.90	2.3127	42.2811	1.8032	162.52	1.3699	128.328
1 SDR	1.3583	0.7832	2.2962	7.8446	1,723.62	2.596	47.4732	2.0234	182.493	1.5257	143.945

Closings in Amsterdam, London and Zurich, fixings in other centers; New York closing rates and Toronto rates at 3 p.m.
*a: To buy one pound; b: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argen. austral	9935.0	Greek drac.	191.98	Mex. peso	3044.01	S. Afr. rand	2.8633
Austral. $	1.269	Hong Kong $	7.7497	N. Zealand $	1.7234	Soviet ruble*	0.5973
Austr. schil.	12.22	Indian rupee	25.8	Norw. krone	6.786	Swed. krona	6.302
Brazil cruz.	412.90	Indo. rupiah	1964.00	Phil. peso	26.72	Taiwan $	26.48
Chinese yuan*	5.3728	Irish £	0.6494	Port. escudo	148.55	Thai baht	25.48
Danish krone	6.7025	Israeli shek.	2.3205	Saudi riyal	3.7502	Turkish lira	4701.45
Egypt. pound	3.3078	Kuwaiti dinar	0.2908	Sing. $	1.7018	UAE dirham	3.6710
Fin. markka	4.226	Malay. ring.	2.779	S. Kor. won	740.10	Venez. boliv.	59.38

*New York rates unless marked * (local rate.)*

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.7194	1.7128	1.7073	Canadian dollar	1.1417	1.1440	1.1464
Deutsche mark	1.7108	1.7161	1.7211	Japanese yen	135.23	135.36	136.28
Swiss franc	1.5012	1.5022	1.5072				

Sources: NMB Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR); Gosbank (ruble). Other data from Reuters and AP.

INTEREST RATES

Eurocurrency Deposits

Sept. 9

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU	SDR
1 month	5 5/16-5 7/16	9 1/16-9 3/16	8 3/4-8 7/8	10 5/16-10 1/2	9 1/4-9 3/8	7 3/8-7 1/2	9 5/8-9 3/4	7 1/4
2 months	5 3/8-5 1/2	9 1/16-9 3/16	8-8 1/8	10 3/8-10 1/2	9 1/8-9 1/4	7 1/8-7 1/4	9 5/8-9 3/4	7 1/4
3 months	5 3/8-5 1/2	9 1/8-9 1/4	8-8 1/8	10 1/4-10 3/8	9 1/8-9 1/4	6 7/8-7 1/16	9 5/8-9 3/4	7 1/8
6 months	5 7/16-5 9/16	9 1/4-9 3/8	7 7/8-8 1/16	10-10 1/8	9 1/8-9 1/4	6 11/16-6 13/16	9 9/16-9 11/16	7 1/4
1 year	5 7/8-6	9 5/16-9 7/16	7 9/16-7 11/16	10-10 1/8	9 3/8-9 1/2	6 9/16-6 11/16	9 9/16-9 11/16	7 1/4

Sources: All Reuters except ECU: Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

Sept. 9

	Close	Prev.
United States		
Discount rate	5 1/2	5 1/2
Prime rate	8 1/2	8 1/2
Federal funds	5 3/4	5 7/16
Com paper 90-179 days	5.55	5.60
3-month Treasury bills	5.25	5.29
6-month Treasury bills	5.28	5.32
1-year Treasury bills	5.38	5.33
30-year Treasury bond	8.00	8.02
2-month CD's	5.24	5.25
3-month CD's	5 1/4	5.27
Japan		
Discount rate	5 1/2	5 1/2
Call money	6 25/32	7 5/32
1-month interbank	N.Q.	—
3-month interbank	N.Q.	6 13/16
Germany		
Discount rate	7 1/2	7 1/2
Lombard rate	9 1/4	9 1/4
Call money	9.15	9.10
1-month interbank	9.10	9.10
3-month interbank	9.20	9.20
6-month interbank	9.35	9.35
Britain		
Bank base rate	11.00	11.00
Call money	10 1/2	10 1/2
3-month interbank	10 3/16	10 5/16
6-month interbank	10 1/4	10 1/4
France		
Intervention rate	9.00	9.00
Call money	9 1/8	9 1/4
1-month interbank	9 1/8	9 3/16
3-month interbank	9 1/4	9 5/16
6-month interbank	9 1/4	9 5/16

Sources: Reuters, Salomon Brothers, Bank of Tokyo, Commerzbank, Credit Lyonnais.

Asian Dollar Deposits

Sept. 9

1 month	5 1/8 - 5 1/4
2 months	5 1/8 - 5 1/4
3 months	5 1/8 - 5 1/4
6 months	5 3/16 - 5 5/16
1 year	5 7/8 - 6

Source: Reuters.

U.S. Money Market Funds

Sept. 9

Merrill Lynch Ready Assets
30-day average yield: 5.37
Telerate Interest Rate Index: 5.512
Source: Merrill Lynch, Telerate

GOLD

Sept. 9

	A.M.	P.M.	Ch'ge
Hong Kong	349.55	350.35	+ 3.20
Luxembourg	350.35	—	+ 3.10
Paris (12.5 kilo)	349.98	349.53	+ 1.65
Zurich	350.15	350.25	+ 1.75
London	350.10	350.55	+ 2.50
New York	—	350.85	+ 1.30

Luxembourg, Paris and London official fixings; Hong Kong and Zurich opening and closing prices; New York spot market close. All prices in U.S. $ per ounce.
Source: Reuters.

Prospect Of a Cut In Rates Hits Dollar

Compiled by Our Staff From Dispatches

NEW YORK — The dollar fell steeply on Monday in active trading, extending its cumulative loss over the past two days' trading to 4.5 pfennig against the Deutsche mark.

Traders said the market was nervous about the possibility of the Federal Reserve's cutting interest rates to boost the sluggish economic recovery.

The dollar closed at 1.6935 DM in New York, more than 2 pfennig lower than Friday's close of 1.7155 and more than 4.5 pfennig below Thursday's closing 1.7385.

The U.S. currency also fell to 134.62 yen from 135.62 yen, to 1.4857 Swiss francs from 1.5065 francs and to 5.7600 French francs from 5.8275. The pound rose to $1.7323 from $1.7185.

"It's a carryover from last Friday. People are expecting lower interest rates," said Joe Cambria, foreign exchange manager of Banque Paribas in New York.

Speculation of U.S. interest rate reductions arose after Friday's August employment data, which showed only modest growth in the economy.

That speculation continued to weigh on the dollar Monday, as did a report from the Fed that consumer borrowing had fallen $838 million, or 1.4 percent, in July, beyond many economists' forecast for a $100 million drop.

The drop in consumer credit reflected a steep decline in car-related borrowing. Many Americans, already saddled with substantial debt from the 1980s, appeared unwilling or unable to take on more credit. That in turn affects consumer spending, a key factor in an economic recovery.

Many economists look for the Fed to cut the discount rate half a

See DOLLAR, Page 10

Investors Reject Brent Walker Plan

Reuters

LONDON — Bondholders rejected Brent Walker Group PLC's £1.4 billion ($2.37 billion) restructuring plan on Monday, but the company said plans to stay in business were not at an end.

Hambros Bank, one of the bondholders, said in a letter to a committee representing the gambling and property company's banks: "We have to inform you that more than 25 percent of bondholders by value were unable to support those proposals."

Brent Walker needed at least 75 percent of the bondholders to agree to the restructuring plan for it to succeed. The bondholders said they did not believe the company and the banks had pursued all the avenues open to them.

But a spokesman for Brent Walker said, "This is not the end — talks will continue."

A financial restructuring of the company has been in the works since earlier this year, but became more urgent late in August when Brent Walker said that its 1990 loss had been understated by £111 million and that its net worth at the end of the year was a negative £56.1 million rather than the positive figure of £139 million first reported.

Holders of Brent Walker's £102 million convertible bonds held a five-hour meeting Monday in the offices of Hambros Bank to examine a proposal from a fellow bondholder, Lonhro PLC, to swap debt for preference shares.

Lonrho offered to take on £1 billion of Brent's debt in exchange for preference shares in a deal said to be worth 50 pence on the pound.

But Brent Walker's banks said they would reject the Lonrho plan, which a senior banker to the company said could have resulted in receivership for Brent Walker.

"The banks will not agree the plan," the banker said. "They do not want Lonhro paper. they want Brent Walker assets."

The Hambros letter said bondholders did not believe the reconstruction proposals were in the best interest of all the stakeholders in Brent Walker, including ordinary shareholders, convertible preference shareholders, employees and creditors.

Brent Walker's stock slid 4.5 pence, to 12 pence, on Monday.

The Brent Walker spokesman said, "We will seek some rational solution with bondholders but the alternative must be receivership, which is in the interests of no one, particularly bondholders and shareholders who are unsecured."

One steering committee banker said there would be some maneuvering between bondholders and Brent Walker over the next few days.

U.S. Is Broadening Salomon Investigation

By Kurt Eichenwald
New York Times Service

NEW YORK — The Justice Department has expanded its investigation of the Treasury securities scandal that has shaken Salomon Brothers Inc., and prosecutors are now conducting parallel civil and criminal inquiries in Washington and New York, people involved in the case said over the weekend.

A handful of criminal subpoenas have been issued, most of them directed at individual traders, and prosecutors have asked a number of Salomon executives or their lawyers for interviews, these sources said.

The Federal Bureau of Investigation has also joined the inquiry, and its agents have met with representatives of the firm.

The criminal investigation, coordinated by the U.S. attorney's office for the Southern District of New York, is focusing on possible charges of securities fraud, mail fraud and conspiracy, the sources said.

The securities fraud charges would be based in part on accusations that Salomon filed false and misleading documents with a range of government agencies. The documents could be considered misleading because they failed to disclose Salomon's illegal bidding in the Treasury market.

Salomon is under investigation by the Securities and Exchange Commission, the Treasury, the Federal Reserve and the Justice Department for its illegal bidding during several Treasury auctions.

When the Justice Department inquiry began, its antitrust division was taking the lead, with the focus on whether Salomon's traders and customers had improperly put a "squeeze" on the market. In a squeeze, an investor or investors working together seek to gain control of enough of a commodity, such as Treasury securities, to corner the market and extract hefty profits from people who need to buy the goods in question.

Now lawyers in several divisions of the Justice Department are involved. Among them are the antitrust, civil and criminal divisions, including the fraud section of the criminal division, people involved in the case said.

Several government agencies are also examining the actions of another large investment firm during the April auction of five-year Treasury notes, people with knowledge of the inquiry said.

The firm, whose name could not be immediately learned, is one of the 39 bond houses and commercial banks — including Salomon — that are primary dealers in Treasury securities and trade directly with the New York Federal Reserve Bank.

The questions that have arisen about the other primary dealer focus on how a large proportion of Treasury securities were awarded in the April auction to the firm and its customers.

New Deal Laws Facing Overhaul

By Stephen Labaton
New York Times Service

WASHINGTON — Momentum is building rapidly in Congress and among federal regulators to repudiate and rewrite many laws and economic regulations that were pillars of the New Deal of the 1930s.

The changes, advanced by the administration and moving quickly through Congress, which is to return from its summer recess on Tuesday, represent a fundamental shift in the philosophy of regulation.

Earlier in this century, rules were formulated to restrict the growth of financial powerhouses; the new view holds that conglomeration is better for the economy and helps the nation to compete internationally.

The House and Senate Banking Committees have already adopted legislation to repeal Depression-era regulations that restrict the ability of banks to grow and enter new businesses, and other legislation making its way through Congress would overhaul laws restricting the growth of utilities.

Already the banking committees have approved legislation that would eviscerate the Glass-Steagall Act, which restricted commercial banks from underwriting corporate securities.

The swift approval by the committees of the legislation has been taken as a sign by many officials and lawmakers that Congress will adopt sweeping banking legislation this fall.

"We think it's very likely that there will be Glass-Steagall reform this year," said Robert R. Glauber, undersecretary of the Treasury.

"The only question is whether it's good reform or bad reform," he added, referring to the administration's preference for the Senate version, which would permit commercial banks to lend money to affiliated investment banking firms.

The final legislation is likely to constitute a refutation of the progressive populist movement that arose after the market crash of 1907. The movement, one of whose intellectual fathers was Louis D. Brandeis, sought to decentralize economic power through laws that established a central bank and ultimately broke up the House of Morgan, the leading trusts of the day, and the public utilities that dominated economic life.

For more than a half century, those laws and regulations have framed the nation's financial system.

But now the administration, many lawmakers and the regulators themselves have concluded that these laws are outdated and that they inhibit the United States' ability to compete.

The new philosophy, which is rapidly gaining support, is that the Depression-era rules have

See CHANGES, Page 11

30 BCCI Aides Are Detained In Abu Dhabi

Compiled by Our Staff From Dispatches

ABU DHABI — Abu Dhabi authorities rounded up executives of Bank of Credit & Commerce International SA Sunday night and Monday, bringing to at least 30 the number detained, banking sources said.

Among those detained were Swaleh Naqvi, a former acting president of BCCI who was indicted in the United States last week on money laundering charges, and Zafar Iqbal, chief executive of the company since late last year.

Mr. Naqvi was in Abu Dhabi when the Bank of England closed BCCI's operations in Britain on July 5, setting off the worldwide crackdown on the Luxembourg-based bank, which is accused of massive fraud and money laundering. He has been described as the right-hand man of the Pakistani banker, Agha Hasan Abedi, who founded the bank in 1972.

Abu Dhabi, one of the seven sheikhdoms that make up the Emirates, controls 77.4 percent of BCCI.

Police swooped on the bank's local headquarters on Sunday, questioned executives in a conference room for seven hours and took more than 20 away in vans, witnesses said. Sources in Abu Dhabi said other BCCI executives were detained Sunday night and Monday, pushing the total over 30.

There was no official confirmation of the detentions nor was it clear whether those held had been formally arrested.

Bank sources said the executives had probably been taken for questioning by a special committee set up by shareholders to investigate the fraud allegations.

BCCI has $20 billion in global assets but its suspected losses, largely due to fraud, come to $15 billion.

A British court has given BCCI a reprieve that expires Dec. 2, when shareholders must present a restructuring plan or face liquidation of the bank.

Abu Dhabi authorities were annoyed by the manner in which the Bank of England suspended BCCI activities. They charged that they had not been consulted on the measure, which came as they were preparing to restructure the institution and had, according to British press reports, injected $2.6 billion into the bank in 1990.

In an effort to ease the strains over the affair, Britain's foreign secretary, Douglas Hurd, will meet his Emirates counterpart, Rashid Abdullahal Nuaimi, later this month in New York.

(Reuters, AFP, AP)

G-10, EC Talk Of Aid to Local Soviet Entities

Compiled by Our Staff From Dispatches

BASLE, Switzerland — Two international bodies indicated Monday they might channel aid directly to local authorities in the Soviet Union.

Central bank governors from the Group of 10 industrialized nations debated the question in Basel. Jacques de Larosière, president of the Bank of France, said, "Before you can provide assistance, you need to know who is the beneficiary and what is the legal structure."

The European Community will consider Soviet aid methods, said the Belgian finance minister, Philippe Maystadt.

Grand Kabuki at the Finance Ministry

By James Sterngold
New York Times Service

TOKYO — For American trade negotiators and other outsiders who complain that Japan's economy is closed and indecipherable, two weeks of legislative hearings about the stock market scandals here have offered fresh evidence of how difficult it can be to figure out what is permitted or prohibited in Japan and how foreigners might compete on equal terms.

In their testimony, the barons of Japan's securities industry offered no bombshells about the unfolding financial scandals, in which 21 securities firms have acknowledged that they compensated their largest customers for trading losses.

But the unusual hearings have proved a milestone of sorts by exposing what many people regard as the most opaque feature of Japan's stock market regulation: the administrative guidance provided by the powerful Finance Ministry.

The agency's guidance has no solid legal basis and is often given orally, but securities firms are expected to follow it rigorously.

Some foreign and Japanese experts have complained that this guidance is formulated, disseminated and enforced in such a secretive manner that outsiders are often left in the dark.

The testimony has provided ammunition for U.S. trade negotiators, who have promised they will renew their assault next month on what they consider a barrier to foreign participation in the financial markets.

U.S. officials have been pressing the Japanese government to issue

NEWS ANALYSIS

all regulatory guidelines publicly, in writing, and to apply them equally to all market participants.

"The problem of transparency has been an issue for a long time, and this just means it will continue to be a key and important issue," one U.S. official said.

At the heart of the issue is a seeming contradiction that emerged from the hearings: The top executives of major securities houses admitted that they explicitly permitted their brokers to violate a Finance Ministry ban on covering trading losses of customers. This brought an apparently unprecedented wave of improper behavior, with the 21 securities houses making at least $1.3 billion of compensation payments.

At the same time, it has also been disclosed that the ministry knew about this practice but did nothing to halt the violations or punish the firms until the tax authorities uncovered the violations this year.

Many observers said the Finance Ministry appears to have tacitly approved of loss-compensation. In other words, the ministry issued an order explicitly banning loss compensation but secretly permitted it because of unusual circumstances.

The circumstances were these: The ministry had issued an order forcing the securities firms to close a kind of corporate stock-trading account known as an *eigyo tokkin*. These are discretionary accounts where corporations put spare cash, with the brokerage firms making all the investment decisions.

The ministry's idea was to reduce conflicts of interest by forcing brokerage houses to do all their management of stock-market funds through independent asset-management subsidiaries.

But when the brokerage concerns were instructed to phase out the eigyo tokkin accounts, because many of the accounts appeared to be in deficit, it was well understood that those accounts would require some compensation, several observers said. Nonetheless, the ministry issued its public guidance that compensation was prohibited.

"The visible guidance was clearly just a pose to the public — to try and show the ministry did not approve," said Takaaki Wakasugi, a professor of finance at Tokyo University and co-head of a research institute at the University of Michigan. "They are just pretending to be in the right. They must have known that this was going on and quietly permitted the compensation. That's why these hearings

See KABUKI, Page 13

IFI
Istituto Finanziario Industriale
Società per Azioni
Corporate Office 25, via Marenco, Turin, Italy.
Capital Stock Lire 123.500.000.000 fully paid.
Turin, registry of the Companies no. 327, File 2370/27.

Notice of shareholder's general meeting

Notice is hereby given that the annual general meeting of shareholders will be held in Turin, at the offices of Sai - Società Assicuratrice Industriale S.p.a., corso Galileo Galilei 12, on Wednesday September 25, 1991 at 10:30 a.m. and in case of a second call on Friday October 11, 1991 at the same place and time, for consideration of the following agenda:

1. Report of the board of directors and of the board of statutory auditors for the year ended March 31, 1991; financial statements as of March 31, 1991; related resolutions.
2. Resolutions in accordance with art. 2357 and 2357 ter of the italian Civil Code.
3. Determination of the number and election of the directors.
4. Election of the statutory auditors and determination of the fees.

In order to participate to the general meeting, holders of ordinary (voting) shares and holders of preferred (non voting) shares are required to deposit their certificates, at least five days prior to the meeting, at the corporate offices in Turin - 25, via Marenco, or at any of the following banks.

Authorized banks:
in the Netherlands: Amsterdam Rotterdam Bank N.V.
in the Federal Republic of Germany: Commerzbank.
in Switzerland: Banca Commerciale Italiana (Suisse), Crédit Suisse and Société de Banque Suisse
in France: Lazard Frères et Cie.
in Great Britain: Lazard Brothers & Co. and S G Warburg & Co Ltd.
in Italy: all the leading banks

THE BOARD OF DIRECTORS

NOTICE OF REDEMPTION
to the Holders of
Ford Credit Canada Limited
Cdn$ 75,000,000
10⅞% Guaranteed Notes due October 1, 1992
Unconditionally Guaranteed as to Payment of Principal, Premium and Interest by
Ford Motor Credit Company

In accordance with the provisions of the Fiscal Agency Agreement dated as of October 1, 1985 between Ford Credit Canada Limited («the Company»), Ford Motor Credit Company («the Guarantor») and Kredietbank S.A. Luxembourgeoise («the Fiscal Agent»), notice is hereby given that the Company has elected to redeem on October 15, 1991 («the Redemption Date») all of its 10⅞% Notes due October 1, 1992, at a redemption price («the Redemption Price») of 100% of the principal amount thereof together with accrued interest («the Accrued Interest») of Cdn$ 4.23 per denomination of Cdn$ 1,000 and Cdn$ 42.29 per denomination of Cdn$ 10,000 from October 1, 1991 to the Redemption Date.

The amount of Accrued Interest and the Redemption Price will become due and payable upon each Note on and after the Redemption Date.

On and after such Redemption Date the Notes will no longer be outstanding and interest on the Notes will cease to accrue.

Payment of the Accrued Interest and of the Redemption Price will be made upon presentation and surrender of the Notes, together with all appurtenant coupons maturing after the Redemption Date, at any of the following paying agencies: the main offices of Kredietbank N.V. (London Branch) in London, Algemene Bank Nederland N.V. in Amsterdam, Kredietbank N.V. in Brussels, Commerzbank AG in Frankfurt, Crédit Commercial de France in Paris, Kredietbank (Suisse) S.A. in Geneva, Kredietbank S.A. Luxembourgeoise in Luxembourg and the Bank of Nova Scotia in Toronto.

Coupons which shall have matured prior to the Redemption Date should be presented and surrendered for payment in the usual manner.

Dated as of September 6, 1991

The Fiscal Agent
KREDIETBANK
S.A. LUXEMBOURGEOISE

Notice of change of Company Address
Banque IPPA et Associes S.A.

BANQUE IPPA ET ASSOCIES S.A. September 10, 1991
35, Boulevard Royal
L-2449 LUXEMBOURG

Change of Company Address
Notice is hereby given to holders of the Bonds, Notes, Warrants, TLC's listed below for which Banque Ippa & Associés S.A. acts as Fiscal Agent, Principal Paying Agent, Warrant Agent, Paying Agent, Conversion Agent, Currency Agent or Trustee or in any other similar capacities, that with effect from September 20, 1991 the offices of the Bank will be located at
43, Boulevard Prince Henri
L-1724 Luxembourg
Postal address:
B.P. 435
L-2014 Luxembourg
Telephone, telefax and telex numbers remain unchanged.
BANQUE IPPA & ASSOCIES S.A.

The issues concerned are the following:
1. THE WALT DISNEY COMPANY
Japanese Yen 10,000,000,000 - 6 ⅜% Notes 1986-1996
2. WALT DISNEY PRODUCTIONS
Ecu 62,500,000 - 8 ½% Notes 1985-1994
3. WALT DISNEY PRODUCTIONS
Ecu 80,000,000 - 9 ⅝% 1986-1995
4. SPECTRA-PHYSICS INTERNATIONAL FINANCE N.V.
U.S.$15,000,000 - 8% Convertible Subordinated Guaranteed Debentures Due 1994
5. NZI GROUP SERVICES AUSTRALIA LTD.
U.S.$200,000,000 - Floating Rate 1988-1993
6. FEDERAL EXPRESS FIN. PLC
GPB 12 ¾ 40,000,000 - 1988-1993
7. KYOWA SAITAMA
U.S.$100,000,000 - Guaranteed Floating Rate Notes due 1985-1995
8. POHANG IRON & STEEL COMPANY, LTD.
U.S.$75,000,000 - Floating Rate Notes 1986-1996
9. THE FINANCE COMPANY OF SOUTH AUSTRALIA LIMITED
U.S.$100,000,000 - Floating Rate Notes 1989-1994
10. TAIWAN POWER COMPANY
U.S.$100,000,000 - Floating Rate Notes 1982-1992
11. BANKAMERICA CORPORATION
U.S.$400,000,000 - Floating Rate Subordinated Capital Notes 1985-1997
12. BANKAMERICA CORPORATION
U.S.$325,000,000 - Floating Rate Subordinated Capital Notes 1987-1999
13. BANKAMERICA CORPORATION
U.S.$400,000,000 - Floating Rate Notes 1984-1996
14. SONATRACH
U.S.$140,000,000 - 10.25% Guaranteed Bonds 1978-1992
15. MORTGAGE INTERMEDIARY NOTE ISSUER (NO 1) AMSTERDAM B.V.
GPB 50,000,000 - Floating Rate Notes 1985-2010
16. BANCO CENTRAL DE COSTA RICA
Series A 6 ¼% U.S.$217,000,000 - Bonds 1990-2010
17. BANCO CENTRAL DE COSTA RICA
Series B 6 ¼% U.S.$123,000,000 - Bonds 1990-2010
18. BANCO CENTRAL DE COSTA RICA
Series A U.S.$50,000,000 - Floating Rate Notes 1990-2005
19. BANCO CENTRAL DE COSTA RICA
Series B U.S.$62,000,000 - Floating Rate Notes 1990-2005
20. RJR NABISCO
8.75% U.S.$100,000,000 - Notes 1987-1994

Issues closed - prescription period not ended:
1) SANDVIK AB 9.50% U.S.$ closed 1986
2) GOTAVERKEN 8.125% U.S.$ closed 1987
3) McDONALDS 15% NZD/U.S.$ closed 1988
4) VOLVO 10.125% ITL closed 1990
5) BANKAMERICA 10.375% USD closed 1988
6) GULF CANADA LIMITED 14.75% U.S.$ closed 1989
7) BANCA COMMERCIALE ITALIANA 14.75% SA closed 1989
8) SANDVIK "CONVERTIBLE" 6.25% U.S.$ closed 1988

MARKET DIARY

Stocks Slip Slightly On Economy Fears

Compiled by Our Staff From Dispatches

NEW YORK — Prices on the New York Stock Exchange slipped Monday in slow trading as anxiety over the U.S. economy led investors to adopt a cautious stance.

The Dow Jones industrial average, which had gained 3.13 points on Friday, fell 4.47 on Monday, to 3,007.16. The broader-based New York Stock Exchange Index eased 0.37, to 213.14, while Standard & Poor's 500-stock index fell 0.53, to 388.57.

Declines edged advances by a small number of issues, while volume slid to 109.25 million shares, the slowest trading in months, from 166.41 million traded on Friday. The slowest trading day of the year occurred July 5, when only 69,910,000 shares traded.

Analysts said the observance of the Jewish new year kept trading volume light.

"The market is standing still," said Gene Seagle, technical research director at Gruntal and Co., "and could stay that way if the Federal Reserve does nothing about the interest rate."

By again easing credit policy — something many in the financial community expect it to do — the central bank would be acting to bring down interest rates to buttress the fledgling U.S. economic recovery.

Salomon Inc. led the Big Board actives, edging up ¼ to 24¼. Prudential Securities Inc. said it executed trades of three blocks of Salomon stock, of 550,000, 448,800 and 101,200 shares. Prudential declined to provide any further details.

International Business Machines and Apple Computer both rose Monday, fueled by trade reports the two big computer companies may form a second joint venture to develop hardware, software and multimedia services.

IBM gained 1⅞ to 101 while Apple, which trades on the over-the-counter market, jumped 1¾ to 53¼.

The Limited was the second-most active issue, easing ⅛ to 24⅜. PepsiCo was third, rising ¾ to 29¾.

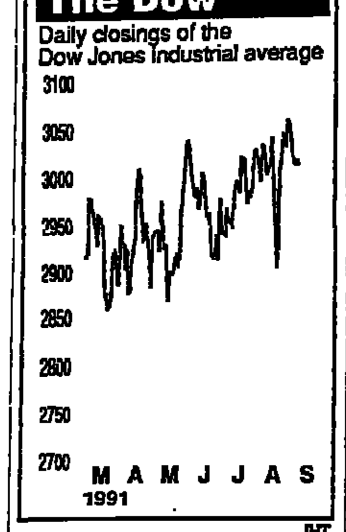
(UPI, Reuters)

N.Y. Stocks

Via Associated Press Sept. 9

The Dow

Daily closings of the Dow Jones industrial average



Dow Jones Averages

	Open	High	Low	Last	Chg.
Indus	3004.47	3025.49	2987.70	3007.16	— 4.47
Trans	1174.01	1181.59	1165.90	1172.60	— 2.12
Util	206.06	207.25	205.37	206.69	+ 0.44
Comp	1062.66	1069.75	1056.66	1063.30	— 1.13

Standard & Poor's Indexes

	High	Low	Close	Ch'ge
Industrials	462.34	460.48	461.21	— 0.87
Transp.	293.30	291.65	292.02	— 1.00
Utilities	142.51	142.05	142.51	+ 0.18
Finance	31.61	31.49	31.58	— 0.01
SP 500	389.34	387.88	388.57	— 0.53
SP 100	368.06	366.23	367.02	— 0.62

NYSE Indexes

	High	Low	Close	Ch'ge
Composite	213.47	212.86	213.14	— 0.37
Industrials	267.96	267.09	267.35	— 0.62
Transp.	177.62	177.30	177.35	— 0.64
Utilities	93.45	93.21	93.45	+ 0.11
Finance	157.86	157.64	157.80	— 0.21

NASDAQ Indexes

	High	Low	Close	Ch'ge
Composite	518.14	514.30	518.07	+ 1.13
Industrials	578.84	575.90	578.84	+ 1.97
Finance	521.85	519.22	520.06	— 1.74
Insurance	542.03	539.36	540.46	— 0.27
Utilities	582.77	578.26	581.08	+ 2.12
Banks	342.89	340.79	342.65	— 0.19
Transp.	520.82	514.63	518.32	+ 1.16

AMEX Stock Index

High	Low	Close	Ch'ge
369.78	368.59	369.06	— 0.64

Dow Jones Bond Averages

	Close	Ch'ge
20 Bonds	96.25	+ 0.07
10 Utilities	97.30	— 0.14
10 Industrials	95.20	+ 0.27

Market Sales

NYSE 4 p.m. volume	109,250,000
NYSE prev. cons. close	200,100,890
Amex 4 p.m. volume	10,350,000
Amex prev. cons. close	14,274,000
NASDAQ 4 p.m. volume	105,845,400
NASDAQ prev. 4 p.m. volume	149,328,000
NYSE volume up	40,513,790
NYSE volume down	54,125,830
Amex volume up	4,147,830
Amex volume down	3,295,840
NASDAQ volume up	48,384,900
NASDAQ volume down	33,818,200

NYSE Most Actives

	Vol.	High	Low	Last	Chg.
Salomn	21276	24½	23½	24¼	+ ¼
Limitd	20562	25	24	24⅜	— ⅛
PepsiC	19333	29¾	29	29¾	+ ¾
AT&T	15357	38⅝	38	38⅛	— ⅝
MIN	14446	7⅝	7¼	7⅝	
PhilMr	13843	73⅝	72	73½	+ ⅝
Baxter	13254	34	32⅝	33½	— 1¼
TelMex n	11522	37¼	36¾	37¼	+ ¾
IBM	11461	101⅛	99½	100⅞	+ 1½
WstgE s	11295	22⅝	22	22⅛	— ⅜
GenEl	10635	71	70⅝	70½	— ⅜
Boeing	10447	52	51¼	51⅝	— ⅜
GTE	9612	29¼	28⅞	29	— ¼
BlockE s	9327	12	11⅜	11¾	+ ⅜
ChWste	9224	17¾	17	17⅜	— ⅝

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
DowC rt	5673	9⅛	8⅞	9⅛	+ ⅛
RstInt	5219	1⅝	1½	1⅝	
US Bio	3398	34	32⅛	33⅝	— ¼
Cablvsn	2939	26	25⅛	25⅝	— ⅜
Abiomd	2772	11¾	9½	11½	+ 1⅞
Kirby	2097	14¾	14⅜	14¾	+ ⅛
EchoBy	1896	8¼	8⅜	8⅜	
FoumHl	1864	22	20⅞	21	— 1
A-aff2 sc	1814	10¼	9⅜	9½	— ¾
GiantFd	1797	23⅛	22¾	22¾	— ¼
ICH	1762	3	2¾	2¾	— ¼
EksNk wt	1694	8⅞	8½	8⅞	+ ¼
Hasbro	1679	26⅛	25¼	25¼	— 1
FruitL	1647	17⅞	17⅛	17⅛	— ¾
PhILD	1624	20	19½	19¼	— 2

NYSE Diary

	Close	Prev.
Advanced	727	762
Declined	804	799
Unchanged	559	532
Total Issues	2090	2093
New Highs	45	77
New Lows	9	9

Amex Diary

	Close	Prev.
Advanced	239	264
Declined	271	254
Unchanged	259	250
Total Issues	769	768
New Highs	29	25
New Lows	14	4

NASDAQ Diary

	Close	Prev.
Advanced	930	939
Declined	948	902
Unchanged	2,263	2,301
Total Issues	4,141	4,142

S&P 100 Index Options

Sept 9

Strike Price	Calls-Last Sep	Oct	Nov	Dec	Puts-Last Sep	Oct	Nov	Dec
335	—	—	—	—	1/16	⅞	2⅝	—
340	—	—	—	—	1/16	1⅜	3⅜	5
345	24⅛	—	—	—	⅛	1⅞	3⅞	—
350	18	—	—	—	⅛	2½	4¾	—
355	13⅝	—	—	—	1	3⅝	5⅞	—
360	9⅛	12½	—	—	1⅝	4⅝	7¼	9½
365	5⅝	9½	12¼	—	3⅛	6⅛	9⅛	—
370	2⅝	6⅜	9½	13	5⅝	8⅝	11¼	13½
375	1	4¼	7¼	—	9	11¾	—	—
380	⅜	2½	4¾	7⅜	13⅝	15¾	16½	—
385	⅛	1½	3⅛	—	—	18½	—	—
390	—	¾	1⅞	4⅛	—	—	23½	—
395	—	⅜	1⅛	—	—	—	—	—

Calls: total vol. 59,816; total open int. 362,568
Puts: total vol. 58,467; total open int. 424,335

	Dec 92	Dec 92	Dec 92	Dec 92
27½	—	—	⅛	—
30	—	—	⅜	—
35	—	—	2⅜	3⅛
37½	—	—	3⅝	4
40	—	—	4⅞	5¼

Calls: total vol. 0; total open int. 22,652
Puts: total vol. 272; total open int. 77,151
Source: CBOE.

EUROPEAN FUTURES

Food

SUGAR (FOX) U.S. Dollars per metric ton-lots of 50 tons

	Close		High	Low	Prev. Close	
Oct	202.80	203.00	206.60	201.00	206.00	207.00
Dec	185.00	186.00	193.00	188.00	186.00	198.80
Mar	189.00	191.00	195.00	189.00	191.00	193.80
May	189.00	191.00	192.40	192.40	189.00	195.80
Aug	187.00	192.80	193.00	193.00	185.60	200.00
Oct	185.00	195.00	192.00	192.00	183.40	200.00
Dec	176.00	193.00	N.T.	N.T.	N.T.	N.T.

Est. Sales 396.

COCOA (FOX) Sterling per metric ton-lots of 10 tons

Sep	705	710	719	703	709	712
Dec	736	737	754	736	743	744
Mar	772	773	788	771	776	777
May	791	792	807	791	794	795
Jul	811	812	826	811	810	814
Sep	829	830	847	829	832	833
Dec	849	851	868	851	852	853
Mar	871	873	883	879	874	876
May	887	889	900	900	892	894
Jul	906	907	917	906	910	911

Est. Sales 4,255.

COFFEE (FOX) Sterling per metric ton-lots of 5 tons

Sep	536	538	539	535	537	539
Nov	562	563	565	559	563	564
Jan	581	582	583	578	583	584
Mar	591	593	594	589	594	595

Est. Sales 1,987.

WHITE SUGAR (Matif) Dollars per metric ton-lots of 50 tons

	High	Low	Close		Ch'ge
Oct	287.00	285.50	285.50	287.00	— 1.70
Dec	278.50	N.T.	279.00	281.00	+ 0.50
Mar	N.T.	N.T.	279.00	281.00	+ 0.80
May	N.T.	N.T.	277.50	279.50	— 0.50
Aug	N.T.	N.T.	276.00	278.00	— 1.00
Oct	N.T.	N.T.	257.00	259.00	+ 0.50

Est. sales 1,326. Prev. sales 1,934. Open interest 11,177.

Metals

	Close Bid	Ask	Previous Bid	Ask
ALUMINUM (High Grade) Dollars per metric ton				
Spot	1243.00	1244.00	1258.00	1259.00
Forward	1274.00	1275.00	1288.00	1289.00
COPPER CATHODES (High Grade) Sterling per metric ton				
Spot	1354.00	1355.00	1368.00	1370.00
Forward	1354.00	1354.50	1368.00	1368.00
LEAD Sterling per metric ton				
Spot	313.00	313.50	314.50	315.50
Forward	325.00	325.50	326.50	327.00
NICKEL Dollars per metric ton				
Spot	7770.00	7780.00	7735.00	7745.00
Forward	7790.00	7800.00	7760.00	7770.00
TIN Dollars per metric ton				
Spot	5560.00	5578.00	5560.00	5570.00
Forward	5645.00	5655.00	5645.00	5650.00
ZINC (Special High Grade) Dollars per metric ton				
Spot	1030.00	1032.00	1024.00	1025.00
Forward	1047.00	1048.00	1039.00	1040.00

Financial

3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct

	High	Low	Close	Change
Sep	89.84	89.76	89.80	+ 0.07
Dec	90.28	90.23	90.25	+ 0.08
Mar	90.42	90.37	90.41	+ 0.09
Jun	90.35	90.28	90.35	+ 0.10
Sep	90.21	90.17	90.20	+ 0.07
Dec	90.11	90.08	90.10	+ 0.07
Mar	89.96	89.95	89.96	+ 0.07
Jun	89.94	89.93	89.94	+ 0.07
Sep	89.88	89.88	89.90	+ 0.05
Dec	89.85	89.85	89.88	+ 0.06

Est. volume: 43,542. Open interest: 131,024.

3-MONTH EURODOLLARS (LIFFE) $1 million - pts of 100 pct

	High	Low	Close	Change
Sep	94.38	94.35	94.38	+ 0.04
Dec	94.17	94.09	94.15	+ 0.09
Mar	94.18	94.12	94.15	+ 0.06
Jun	93.84	93.81	93.86	+ 0.08
Sep	93.45	93.45	93.47	+ 0.10
Dec	N.T.	N.T.	92.90	+ 0.09
Mar	92.74	92.72	92.74	+ 0.07
Jun	N.T.	N.T.	92.46	+ 0.06

Est. volume: 4,809. Open interest: 39,385.

3-MONTH EUROMARKS (LIFFE) DM1 million - pts of 100 pct

	High	Low	Close	Change
Sep	90.80	90.78	90.78	+ 0.01
Dec	90.81	90.76	90.79	+ 0.03
Mar	91.02	91.00	91.00	+ 0.03
Jun	91.20	91.18	91.18	+ 0.03
Sep	91.31	91.30	91.31	+ 0.05
Dec	91.40	91.37	91.38	+ 0.04
Mar	N.T.	N.T.	91.45	+ 0.05
Jun	91.47	91.46	91.47	+ 0.85

Est. volume: 20,637. Open interest: 135,062.

LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct

	High	Low	Close	Change
Sep	95-11	95-04	95-07	+ 0-09
Dec	95-14	95-07	95-11	+ 0-09
Mar	N.T.	N.T.	95-11	+ 0-09

Est. volume: 18,933. Open interest: 57,255.

GERMAN GOVERNMENT BUND (LIFFE) DM 250,000 - pts of 100 pct

	High	Low	Close	Change
Dec	85.58	85.40	85.51	+ 0.15
Mar	N.T.	N.T.	85.67	+ 0.15
Jun	N.T.	N.T.	85.87	+ 0.15

Est. volume: 29,521. Open interest: 55,166.

Industrials

GASOIL (IPE) U.S. dollars per metric ton-lots of 100 tons

	High	Low	Last	Settle	Ch'ge
Sep	191.50	189.00	189.75	189.50	— 3.25
Oct	195.25	193.25	193.25	193.25	— 2.75
Nov	196.50	195.00	195.00	195.00	— 3.00
Dec	197.25	195.50	196.00	196.00	— 2.75
Jan	195.50	194.00	194.00	194.00	— 2.25
Feb	189.50	188.00	188.00	188.00	— 1.50
Mar	184.00	183.75	183.75	183.00	— 1.50
Apr	N.T.	N.T.	N.T.	178.50	— 0.50
May	175.00	175.00	175.00	174.50	— 0.50

Est. Sales 14,000. Prev. sales 8,178. Open interest 90,003

BRENT CRUDE OIL (IPE) U.S. dollars per barrel-lots of 1,000 barrels

	High	Low	Last	Settle	Ch'ge
Oct	19.99	19.78	19.84	19.84	— 0.23
Nov	19.98	19.85	19.89	19.91	— 0.19
Dec	19.95	19.87	19.92	19.92	— 0.20
Jan	19.88	19.70	19.70	19.70	— 0.30
Feb	19.77	19.77	19.70	19.60	— 0.34
Mar	N.T.	N.T.	N.T.	19.45	— 0.22
Apr	19.60	19.57	N.A.	19.55	— 0.22
May	N.T.	N.T.	N.T.	19.46	— 0.22

Est. Sales 18,000. Prev. sales 15,842. Open interest 76,519

Stock Indexes

FTSE 100 (LIFFE) £25 per index point

	High	Low	Close	Change
Sep	2671.0	2660.0	2671.0	— 15.0
Dec	2735.0	2704.0	2716.5	— 14.5
Mar	N.T.	N.T.	2732.5	— 13.5

Est. volume: 6,239. Open interest: 39,498.

Sources: Reuters, Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

Spot Commodities

Commodity	Today	Prev.
Aluminum, lb	0.564	0.571
Coffee, lb	0.69	0.685
Copper electrolytic, lb	1.159	1.155
Iron FOB, ton	213.00	213.00
Lead, lb	0.33	0.33
Silver, troy oz	4.04	3.945
Steel (billets), ton	473.00	473.00
Steel (scrap), ton	0.89	0.89
Tin, lb	3.594	3.6196
Zinc, lb	0.52	0.52

Dividends

Company	Per	Amt	Pay	Rec
OMITTED				
First Security Ky				
USUAL				
Fed Home Ln Mktg	Q	.50	9-30	9-16
Filtertek	Q	.05	11-15	11-1
Fst Brands Corp	Q	.01	10-18	9-27
Intl Holdg Cap	S	.25	10-11	9-19
JLG Industries	Q	.06¼	10-2	9-15
Orion Capital	Q	.23	10-1	9-16
Shared Med Sys	Q	.21	10-15	9-30

a-annual; m-monthly; q-quarterly; s-semi-annual

Source: UPI.

N.Y.S.E. Odd-Lot Trading

	Buy	Sales	Short*
Sept. 6	787,579	653,589	4,322
Sept. 5	794,078	633,361	9,265
Sept. 4	651,982	683,327	20,962
Sept. 3	654,620	710,788	8,830
Aug. 30	492,164	588,241	3,707

*Included in the sales figures.

U.S./AT THE CLOSE

UBS Suspends 2 N.Y. Bond Dealers

ZURICH (Reuters) — Union Bank of Switzerland said Monday that it had suspended two bond dealers at its New York offices for alleged irregularities in a securities transaction.

A UBS spokeswoman, Gertrud Ehrisman, said Jay Buck, managing director and head of fixed-income operations, and Lawrence Fell, fixed-income sales manager, had asked clients to buy Citicorp Standard Credit Card Master Trust securities with the understanding that UBS would buy them back later. The two men had violated legal requirements for record keeping in such repurchase agreements, she said.

The spokeswoman said Mr. Fell had resigned after his suspension and that Mr. Buck would not return to his former job.

Goodyear Seeks Buyers for Units

AKRON, Ohio (Reuters) — Goodyear Tire & Rubber Co. said Monday it has started a search for buyers of its noncore assets, including its polyester business, which will be offered in its entirety.

The company noted it had previously said it would consider selling noncore assets to reduce its heavy debt.

Goodyear said the sale of its polyester business will include manufacturing facilities at Point Pleasant, West Virginia, research and development facilities in Akron and all pertinent technologies and sales and marketing support groups.

Philip Morris Seeks New Credit

NEW YORK (Reuters) — Philip Morris Cos. is seeking to replace an existing $12 billion long-term credit facility, which is due to expire in March 1993, with a new $15 billion one that will run until October 1996, a company spokesman said.

No details of who is bidding on the new deal or its anticipated pricing were available.

Phillips Petroleum Selling Assets

BARTLESVILLE, Oklahoma (Reuters) — Phillips Petroleum Co. said Monday that it was moving to boost cash flow by selling $500 million in assets by the end of 1993.

The program is expected to add more than $200 million annually in cash flow within the next two to three years, the company said. Phillips had cash flow of $1.1 billion in 1990, a spokesman said. The $500 million in assets includes several oil tankers recently sold and some it has offered for sale, a Utah refinery, its advanced composites business and a part interest in a pipeline.

Another IBM-Apple Venture?

SAN FRANCISCO (Combined Dispatches) — As part of their broad alliance, Apple Computer Inc. and IBM are expected to establish a second joint venture to concentrate on multimedia computing and to cooperate on radio communications for computers, industry executives and trade reports said.

An IBM spokesman said the weekend reports were "speculation."

Separately, IBM said it will make its most important product announcement in a year, a slew of new mainframe computers and related equipment the company hopes will help end a long slump. *(AP, NYT, Reuters)*

For the Record

Mobil Corp. confirmed Monday it is discussing exploration opportunities with Vietnam's state oil company on offshore oil and gas development "when and if" a U.S. embargo is lifted. *(UPI)*

Ameritrust Corp. refused comment Monday on a report that the Cleveland-based bank holding company's board was meeting to consider merger offers from three other banks: National City Corp. and Society Corp., based in Cleveland, and Banc One Corp. of Columbus. *(AP)*

Federal agents are conducting a criminal inquiry into whether consulting fees paid to doctors by a Baxter International Inc. unit actually were kickbacks, the subsidiary, Caremark Inc., said Monday. It denied any wrongdoing but said it would discontinue the consulting arrangements for Medicare and Medicaid patients. *(AP)*

DOLLAR: *Off on Rate Prospects*

(Continued from first finance page)

point, to 5.5 percent, and to push down the federal funds rate by a quarter point, to 5.25 percent, as early as this week.

A new test for the dollar will be the August retail sales figures to be released Friday. Weak consumer spending could leave the Fed with no choice but to lower the discount rate. And producer and consumer price inflation figures out on Thursday and Friday could show that the Fed has room to cut.

Foreign Exchange

On Monday, the mark strengthened more against the dollar than the yen, because any cut in U.S. interest rates is expected to be matched in Japan, traders said. In addition, they said, Japanese players hold dollar-buy orders around 134.50 yen.

The dollar's drop below 1.70 DM on Monday was a significant technical move, said David Jaques, senior dealer for Barclays Bank in New York. The U.S. currency hit stop-loss sell orders all the way down to 1.69 DM, he said.

The U.S. currency reached a low of 1.6888 DM early in the New York afternoon before rebounding.

Mr. Cambria of Banque Paribas said that if the dollar breaks through technical support at 1.6880 DM, the market's next objective is 1.6425 DM.

Stephen Jury, chief dealer at Chemical Bank, predicted the dollar would trade in ranges of 1.6850-1.7020 DM and 134.00-135.50 yen on Tuesday.

Earlier in London, the dollar slipped to 1.7015 DM in late trading from 1.7360 on Friday, to 135.00 yen from 136.25, to 1.4934 Swiss francs from 1.5270 and to 5.7875 French francs from 5.9025. The pound rose to $1.7295.

(Reuters, UPI)

EMU: *Dutch Draft on Monetary Union Provokes Fear of Splitting Europe*

(Continued from Page 1)

economic and monetary union was only an informal paper for discussion purposes, and that he preferred an approach "that keeps us all in the boat together."

"We shouldn't have a structural impediment that leaves some regiments behind the others," he said, although some countries might need temporary derogations in meeting certain economic criteria.

The Commission favors the approach agreed upon by EC leaders at a summit meeting in Rome last October, in which a European Central Bank of 12 members is created in the interim stage of European monetary union, perhaps in 1994, with full monetary union to follow a few years later.

The Dutch proposal instead calls for a new European Monetary Institute in the interim stage, while a central bank would only be formed in the final stage by the core nucleus of countries joining a single currency.

Mr. Kok suggested that a formal Dutch draft, to be issued next month, would require a subsequent unanimous vote of all 12 EC leaders, perhaps in 1997, before a core nucleus of countries could form a monetary union.

The most controversial part of the current proposal would allow six countries meeting certain criteria to decide among themselves to join a currency union, leaving the other nations without a subsequent veto.

Britain, which endorses the basic framework of the Dutch proposal, largely because no country would be forced to join a currency union, also said "there should be a unanimous decision" to allow any group of countries to do so, said a spokesman for the chancellor of the Exchequer, Norman Lamont.

WORLD STOCK MARKETS

Agence France Presse Sept. 9

Amsterdam

	Close	Prev.
ABN Amro Hld	40	40.20
ACF Holding	36.90	37.10
Aegon	113.70	114.90
Ahold	84.10	83.20
Akzo	121.60	121
AMEV	50.20	50.40
A'Dam Rubber	3.40	3.40
Bols	44	43.80
Buhrmann Tett	46.20	46.60
Center Parcs	N.Q.	24.75
CSM	80	80
DAF	22	22.10
DSM	107	106.80
Elsevier	84.40	84.80
Fokker	34.30	32.80
Gist-Brocades	36.50	36.50
Heineken	149	149
Hoogovens	59.30	59.30
Hunter Douglas	76.80	76.90
IHC Caland	61.50	61
Inter Mueller	71.30	71.50
Int'l Nederland	49.50	52.30
KLM	30.20	30.40
KNP	48.90	48.60
Nedlloyd	58.60	59.10
Oce Grinten	58	57.80
Pakhoed	44.70	44.70
Philips	26.50	26.90
Robeco	100.10	101.50
Rodamco	52.20	52.90
Rolinco	100.40	100.90
Rorento	67.90	67.90
Royal Dutch	157.60	158.10
Unilever	163.30	161.30
Van Ommeren	44.60	44.70
VMF Stork	N.Q.	36.25
VNU	73.50	73.30
Wessanen	85	85
Wolters Kluwer	57.60	57.20

CBS Trend Index: 92.40
Previous: 92.40

Brussels

	Close	Prev.
AG Fin	1810	1825
Arbed	4670	4690
Barco	1336	1336
Bekaert	9800	9850
Cockerill	173	173
Cobepa	4850	4920
Delhaize	7790	7810
Electrobel	4480	4520
GB-Inno-BM	1226	1232
GBL	3310	3320
Gevaert	6690	6680
Hoboken	N.Q.	10550
Kredietbank	4000	4050
Petrofina	11425	11425
Royale Belge	4060	4100
Soc Gen Banque	5300	5280
Soc Gen Belgique	2310	2340
Sofina	11550	11550
Solvay	12750	12750
Tractebel	7900	7920
UCB	18500	18550
Powerfin	2375	2375

Current Stock Index: 5633.91
Previous: 5672.38

Frankfurt

	Close	Prev.
AEG	185.50	186
Allianz Hold	2001	2022
Altana	641.50	644
Asko	875	875
BASF	242.60	248.10
Bayer	283.80	283.70
Bay Hypo bank	350	356
Bay Vereinsbk	435.50	407.50
BBC	N.Q.	—
BHF Bank	369	370
BMW	524	525.50
Commerzbank	248.50	254.50
Continental	220.20	224.60
Daimler Benz	746	749
Degussa	334	339.50
Dt Babcock	160.20	161.20
Deutsche Bank	647	655.30
Douglas	742	746
Dresdner Bank	344	352
Harpener	302	302
Henkel	569	573
Hochtief	1335	1340
Hoechst	240	240.90
Hoesch	305.50	306.50
Holzmann	1342	1340
Horten	195.50	199.50
IWKA	322	324.50
Kali Salz	174.50	175
Karstadt	608	614
Kaufhof	499	493.50
KHD	164.90	165
Kloeckner Werke	146	150
Krupp Stahl	143	142.50
Linde	815	817.50
Lufthansa	144	145.70
MAN	0.08	N.A.
Mannesmann	276	279
Metallgesell	488	493
Muench Rueck	2245	2230
Nixdorf	240	245
PKI	507	509.50
Porsche	735	738
Preussag	368.10	368.50
PWA	257	261.50
RWE	377	380.60
Rheinmetall	312	308
Schering	810.20	825
SEL	364.90	365
Siemens	664.10	668.10
Thyssen	240.50	241.20
Varta	340	340
Veba	350	353
VEW	199.90	200.70
Viag	398	402.50
Volkswagen	381	384
Wella	857	672

DAX Index: 1633.86
Previous: 1646.18
FAZ Index: 678.37
Previous: 683

Helsinki

	Close	Prev.
Amer A	56	56.50
Enso-Gutzeit	19	19
K.O.P.	28.50	29
Kymmene	63	63.50
Metra	67	67
Nokia	86	86.50
Pohjola	82	82
Repola	52.50	52
Stockmann	120	120

HEX Index: 934.20
Previous: 941.80

Hong Kong

	Close	Prev.
Bk East Asia	18.80	18.90
Cathay Pacific	9.80	9.85
Cavendish Int'l	3.43	3.48
Cheung Kong	20.20	20.40
China Light Pwr	21.30	21.20
Dairy Farm Int'l	10.20	10.20
Hang Lung Dev	7.75	7.90
Hang Seng Bank	31.75	31.75
Henderson Land	12.60	12.80
HK Air Eng	17.70	17.90
HK China Gas	10.10	10.30
HK Electric	12.80	12.80
HK Land	8.80	8.85
HK Realty Trust	6.75	6.70
HK Shang Bank	30.50	30.50
HK Shang Htls	4.60	4.55
HK Telecomm	6.95	6.95
HK Ferry	5.15	5.15
Hutch Whampoa	14.20	14.30
Hysan Dev	7.95	8
Jardine Math	31.25	31.50
Jardine Str Hld	15.80	15.90
Kowloon Motor	7.95	7.90
Mandarin Orient	4.68	4.75
Miramar Hotel	5.85	5.85
New World Dev	10.60	10.80
SHK Props	21.50	21.80
Stelux	3.38	3.48
Swire Pac A	21.60	21.80
Tai Cheung Prps	4.75	4.85
TVE	1.95	1.95
Wharf Hold	9.95	10.10
Wing On Co	7.40	7.50
Winsor Ind.	9.95	9.80
World Int'l	5.40	5.45

Hang Seng Index: 3948.54
Previous: 3978.91

Johannesburg

	Close	Prev.
AECI	10.75	10.50
Altech	92	92
Anglo Amer	120	120.75
Barlows	48	48.25
Blyvoor	6.25	6.25
Buffels	37.25	37.50
De Beers	87.25	87.25
Driefontein	39.25	38.50
Gencor	13.10	12.85
GFSA	70.25	70.50
Harmony	17.50	17.75
Highveld Steel	15.75	15.75
Kloof	28.50	28.25
Nedbank Grp	14.50	14.50
Randfontein	13.25	13
Rusplat	65	64
SA Brews	58	57.50
St Helena	22.25	22
Sasol	17.25	17.15
Welkom	14.50	14.50
Western Deep	104	102

Composite Stock Index: 3445
Previous: 3414

London

	Close	Prev.
Abbey Nat'l	3.03	3.07
Allied Lyons	6.10	6.10
Arjo Wiggins	2.89	2.86
Argyll Group	3.08	3.12
ASDA Group	1	0.99
Ass Brit Foods	5.07	5.12
BAA	4.55	4.52
BAe	5.16	5.32
Bank Scotland	1.24	1.26
Barclays	4.72	4.73
Bass	9.90	9.85
BAT	6.81	6.92
BET	2.22	2.21
BICC	4.52	4.53
Blue Circle	2.71	2.73
BOC Group	5.91	5.98
Boots	4.40	4.37
BP	3.45	3.47
Brit Airways	1.92	1.93
Brit Gas	2.74	2.73
Brit Steel	1.22	1.25
Brit Telecom	3.93	3.98
BTR	5.16	5.13
Cable Wire	5.93	5.80
Cadbury Sch	4.01	3.97
Comm Union	5.80	5.15
Courtaulds	4.99	4.96
Enterprise Oil	5.15	5.20
Eurotunnel	4.85	4.85
Fisons	5.07	5
Forte	2.97	2.96
GEC	1.98	1.98
Gen'l Acc	5.83	5.87
Glaxo	13.66	13.81
Grand Met	8.38	8.45
GRE	1.91	1.95
Guinness	10.27	10.34
GUS A	13.90	14
Hanson	2.19	2.19
Hawker Sidd	6.09	6.02
Hillsdown	2.55	2.48
ICI	13.25	13.37
Kingfisher	5.74	5.72
Ladbroke	2.83	2.82
Land Sec	5.35	5.29
Lasmo	3.16	3.22
Legal Gen Grp	4.38	4.40
Lloyds Bank	4.07	4.03
Lonrho	2.39	2.41
Lucas Ind	1.57	1.55
Marks Sp	2.86	2.89
Maxwell	1.85	1.85
MEPC	4.91	4.88
Midland Bk	2.53	2.55
Nat'l Power	1.55	1.56
NatWest	3.74	3.50
Nthwst Water	3.82	3.85
Pearson	7.48	7.40
P&O	5.58	5.68
Pilkington	1.63	1.67
PowerGen	1.63	1.65
Prudential	2.57	2.60
Racal Elec	2.35	2.36
Rank Org	7.22	7.25
Reckitt Col	6.94	7.08
Redland	5.87	5.84
Reed Intl	4.88	4.80
Reuters	8.92	9
RMC Group	6.70	6.80
Rolls Royce	1.40	1.44
Rothmans	10.65	10.70
Royal Ins	3.97	3.98
Royal Scot	1.85	1.86
RTZ	5.88	5.98
Sainsbury	3.72	3.72
Scot Newcas	4.13	4.14
Sears Holds	0.94	0.92
Severn Trent	3.56	3.61
Shell	5.23	5.28
Smith Nephew	1.38	1.39
Smithkline B	7.83	7.87
Sun Alliance	3.75	3.77
Tarmac	2.37	2.38
Tate & Lyle	3.82	3.78
Tesco	2.81	2.82
Thorn EMI	8.05	8.07
Trafalgar Hse	2.44	2.52
TSB Group	1.52	1.53
Ultramar	2.71	2.67
Unilever	7.60	7.68
Utd Biscuits	3.98	3.99
War Loan 3½	34.44	34.13
Wellcome	7.28	7.35
Whitbread	4.98	5
Williams Hdgs	3.57	3.59
Willis Corroon	2.96	3

F.T. 30 Index: 2008.50
Previous: 2073.50
F.T.S.E. 100 Index: 2632.20
Previous: 2667.40

Madrid

	Close	Prev.
Bco. Bilbao/Viz.	3245	3285
Banco Central	4235	4250
Bco. Santander	5090	5140
Banesto	3715	3750
CEPSA	2245	2250
Dragados	2400	2375
Iberdrola I	700	702
Telefonica	1000	992

S.E. General Index: 272.30
Previous: 273.35

Milan

	Close	Prev.
Alenia	2800	2810
Banca Comm	4760	4790
Bastogi	202	204
Benetton group	10080	10100
Ciga hotels	2401	2430
CIR	2540	2560
Cred Ital	2650	2650
Enichem	1475	1470
Eridania	7395	7407
Ferfin	2018	2040
Ferfin Risp	1281	1298
Fiat SPA	5500	5550
Generali	29950	30175
IFI	14375	14550
Italcem	22055	22130
Italgas	3189	3206
Italmobiliare	72000	72070
Mediobanca	14950	15070
Montedison	1294	1318
Olivetti	3300	3390
Pirelli	1998	2010
RAS	16800	17000
Rinascente	7430	7437
Saipem	1600	1617
SIP	1081	1096
SME	3229	3244
Snia	1311	1315
Standa	34350	34430
Stet	1946	1965
Toro Assi Risp	21600	21700

MIB Index: 1064
Previous: 1075

Montreal

	Close	Prev.
Alcan Aluminum	23⅝	23⅝
Bank Montreal	37⅝	37½
Bell Canada	44⅛	44⅜
Bombardier A	N.Q.	23⅛
Bombardier B	23⅛	23⅛
Cambior	9⅛	9⅛
Cascades	5⅛	5⅛
Dominion Text A	7⅜	7⅛
Donohue	12	N.Q.
MacMillan Bl	18⅞	18⅜
Memotec	N.Q.	—
Nat'l Bk Canada	10⅞	10⅞
Power Corp.	15⅛	15⅛
Provigo	12⅛	12⅛
Quebec Tel	16⅜	16⅜
Quebecor A	18	18½
Quebecor B	17⅜	17⅜
Videotron	13⅞	13⅛

Industrials Index: 1598.33
Previous: 1598.93

Paris

	Close	Prev.
Accor	795	796
Air Liquide	700	698
Alcatel Alsthom	591	589
Bancaire (Cie)	509	501
BIC	743	755
Bouygues	568	576
BSN-GD	931	923
Carrefour	2043	2065
C.C.F.	180	175.50
Cerus	128	126
Chargeurs	847	840
Club Med	450	444.20
Elf-Aquitaine	384.30	385
Gen. Eaux	2529	2546
Eurodisneyland	139	139.50
Hachette	191.50	189
Havas	527	531
Imetal	280	286
Lafarge Coppee	351	354.50
Legrand	3775	3780
Lyon. Eaux	548	547
Oreal (L')	623	620
L.V.M.H.	4009	4061
Matra	188	188.60
Merlin Gerin	540	537
Michelin B	120	120.60
Moulinex	162	165
Paribas	426	432
Pechiney Intl	167.50	170.30
Pernod-Ricard	1234	1243
Perrier	1358	1372
Peugeot	603	602
Printemps (Au)	871	870
Radiotechnique	505	510
Raff. St Louis	1457	1456
Redoute (La)	4609	4590
Saint Gobain	471.50	480
Sanofi	940	943
S.E.B.	1779	1763
Ste Generale A	447.80	450
Suez	342.40	343.10
Thomson-CSF	145.30	145.10
Total	888	883
U.A.P.	532	537
Valeo	540	544

CAC 40 Index: 1855.88
Previous: 1860.39

Saopaulo

	Close	Prev.
Banco do Brasil	170	159
Bradesco	8.85	8.70
Brahma	52	49
Paranapanema	5.55	5.40
Petrobras	1960	1851
Vale Rio Doce	330	301
Varig	45	44

Bovespa Index: 24717
Previous: 23515

Singapore

	Close	Prev.
City Dev.	3.38	3.46
DBS	12	11.90
Fraser Neave	8.15	8.35
Golden Hope Pl	1.15	1.13
Haw Par	2.38	2.34
Hume Industries	3.16	3.16
Inchcape	4	4
Keppel	7.45	7.50
KL Kepong	2.28	2.26
Lum Chang	1.02	1.02
Malayan Banking	3.86	3.96
OCBC	8.55	8.45
OUB	4.56	4.58
OUE	6.80	6.85
Sembawang	7.40	7.35
Shangrila	5.65	5.60
Sime Darby	2.32	2.27
SIA	13.30	13.40
S'pore Land	5.40	5.45
S'pore Press	8.70	8.50
Sing Steamship	2.41	2.39
Straits Trading	2.65	2.63
UOB	6.35	6.40
UOL	1.48	1.49

Straits Times Ind.: 1420.42
Previous: 1421.49

Stockholm

	Close	Prev.
AGA	N.Q.	—
Asea	410	405
Astra-A	410	407
Atlas Copco	270	268
Electrolux B	282	279
Ericsson	175	173
Esselte-A	145	145
Handelsbanken	105	103
Norsk Hydro	190	191.50
Procordia AF	195	196
Providentia	103	103
Sandvik	N.A.	—
SCA-A	108	108
S-E. Banken	63.50	65
Skandia F	176	178
Skanska	169	162
SKF	112	112
Stora	330	328
Trelleborg B	111	109
Volvo	355	355

Affaersvaerlden: 1083.19
Previous: 1076.10

Sydney

	Close	Prev.
ANZ	3.88	3.89
BHP	13.80	13.95
Boral	3.30	3.28
Bougainville	0.70	0.72
Coles Myer	10.75	10.85
Comalco	3.95	3.92
CRA	13.35	13.45
CSR	5.16	5.18
Dunlop	5.16	5.14
Fosters Brew	1.83	1.82
ICI Australia	4.12	4.10
Magellan	2.25	2.21
MIM	2.14	2.10
Nat Aust Bank	7.18	7.16
News Corp	10.40	10.75
Nine Network	0.64	0.63
N Broken Hill	2.57	2.58
Poseidon	1.14	1.15
QCT Resources	1.23	1.23
Santos	3.40	3.40
TNT	0.93	0.92
Western Mining	4.97	5.06
Westpac Banking	4.77	4.77
Woodside	3.54	3.56

All Ordinaries Index: 1564.50
Previous: 1572.00

Tokyo

	Close	Prev.
Akai Electr	1090	1110
Asahi Chemical	730	727
Asahi Glass	1190	1210
Bank of Tokyo	1380	1370
Bridgestone	1050	1070
Canon	1490	1490
Casio	1320	1330
C.Itoh	667	680
Dai Nippon Print	1380	1380
Daiwa House	1820	1820
Daiwa Securities	1280	1270
Fanuc	4350	4360
Fuji Bank	2460	2490
Fuji Photo	3260	3250
Fujitsu	965	965
Hitachi	1060	1050
Hitachi Cable	991	983
Honda	1490	1470
Ito Yokado	4550	4580
Japan Airlines	1220	1230
Kajima	1400	1370
Kansai Power	2950	2940
Kawasaki Steel	410	424
Kirin Brewery	1360	1320
Komatsu	775	767
Kubota	613	634
Kyocera	5250	5200
Matsu Elec Inds	1560	1570
Matsu Elec Wks	1400	1400
Mitsubishi Bk	2630	2630
Mitsubishi Kasei	526	540
Mitsubishi Elec	655	655
Mitsubishi Hev	734	734
Mitsubishi Corp	1320	1350
Mitsui and Co	776	788
Mitsukoshi	1120	1110
Mitsumi	1500	1570
NEC	1290	1300
NGK Insulators	986	984
Nikko Securities	910	930
Nippon Kogaku	930	939
Nippon Oil	988	984
Nippon Steel	426	430
Nippon Yusen	605	615
Nissan	662	672
Nomura Sec	1650	1680
NTT (SF)	8711	8835
Olympus Optical	1280	1270
Pioneer	3310	3300
Ricoh	636	636
Sanyo Elec	525	532
Sharp	1480	1460
Shimazu	720	710
Shinetsu Chem	1680	1680
Sony	5700	5720
Sumitomo Bk	2080	2090
Sumitomo Chem	469	472
Sumi Marine	1050	1050
Sumitomo Metal	430	435
Taisei Corp	900	880
Taisho Marine	1050	1050
Takeda Chem	1470	1460
TDK	5430	5400
Teijin	526	534
Tokyo Marine	1320	1330
Tokyo Elec Pw	3700	3710
Toppan Printing	1290	1290
Toray Ind.	631	639
Toshiba	670	670
Toyota	1530	1540
Yamaichi Sec	875	900

Nikkei 225: 23574
Previous: 23493
Topix Index: 1757
Previous: 1763

Toronto

	Close	Prev.
Abitibi Price	16⅜	16⅜
Agnico Eagle	4.90	4.90
Air Canada	7⅞	8
Alberta Energy	14¼	14⅛
Am Barrick Res	25⅝	25⅞
BCE	44⅞	44⅝
BCED	0.13	0.13
Bk Nova Scotia	19⅛	19⅛
BC Gas	15⅜	15⅜
BC Phone	19⅜	19⅝
BP Canada	13⅛	13¼
Bramalea	6	5⅞
Brunswick	7¼	7½
CAE	7½	7½
Campeau	N.Q.	0.46
CIBC	32⅞	32¾
Canadian Pacific	19	18⅞
Can Packers	16¼	16⅜
Can Tire A	24⅛	24⅜
Canadian Turbo	1.90	1.90
Cantor	25⅛	25½
Cara	5⅝	5⅜
CCL Ind B	10⅜	10⅛
Cineplex	4.15	4.20
Cominco	22¾	22⅞
Conwest Expl A	12	12¾
Corona Intl	6¾	N.Q.
Denison Min B	0.27	0.30
Dickenson Min A	2⅝	2¾
Dofasco	19¾	19⅞
Dylex A	4.20	4.40
Echo Bay Mines	9¼	9¼
Equity Silver A	1.10	1.05
FCA Intl	6	6
Fed Ind A	7⅛	7⅝
Fletcher Chall A	15⅛	15⅞
FPI	5⅝	5⅝
GoldCorp	3.35	3.30
Gulf Cda Res	8⅛	8½
Hees Intl	17¼	17⅞
Hemlo Gld Mines	9⅝	9¼
Hollinger	11¼	11⅛
Horsham	10⅞	10¾
Hudson's Bay	34½	34¼
Imasco	29⅞	30
Inco	37⅞	37½
Interprov pipe	30	30
Jannock	16¼	16
Labatt	26⅛	26¼
Loblaw Co	19¼	19¼
Mackenzie	6⅞	6⅞
Magna Intl A	13½	13½
Maritime	20⅛	20¼
Mark Res	7⅛	6⅞
MacLean Hunter	10	10⅛
Molson A	28⅝	28⅝
Noma Ind A	6⅞	7⅛
Noranda	18¼	18⅜
Noranda Forest	8⅛	8
Norcen Energy	24⅜	24¼
Nova Corp	8	8⅛
Oshawa	26¼	26⅛
Pagurin A	6	6⅛
Placer Dome	13	13
Poco Petroleum	7½	7⅜
PWA Corp	5⅛	5
Quebec Sturgeon	N.Q.	0.15
Rayrock	6¾	6¾
Renaissance	14⅜	14¼
Rogers B	10⅜	10⅜
Rothmans	70	70½
Royal Bank Can	26⅞	26⅞
Royal TrustCo	9⅝	9⅝
Sceptre Res	2.90	2.70
Scott's Hosp	17⅞	18
Seagram	126	126¼
Sears Can	12⅛	12⅛
Shell Can	43⅝	43
Sherritt Gordon	7¼	7⅝
SHL Systemhse	5⅛	5
Southam	16	16
Spar Aerospace	15⅞	15⅞
Stelco A	5½	5⅝
Teck B	20⅛	20⅛
Thomson News	14¼	14⅛
Toronto Domn	17½	17¾
Torstar B	24	24⅛
Transalta Util	13	12¾
TransCda Pipe	16⅜	16⅜
Triton Finl A	12⅛	12⅜
Trimac	8½	8⅝
Trizec A	11½	11⅝
Woodward's Ltd	2.95	3

TSE 300 Index: 3479.00
Previous: 3488.30

Market Closed

The stock market in Zurich was closed Monday for a holiday.

For investment information

read THE MONEY REPORT every Saturday in the IHT

U.S. FUTURES

Via Associated Press Sept. 9

Grains

WHEAT (CBT) 5,000 bu minimum-dollars per bushel

Season High	Season Low		Open	High	Low	Close	Chg.
3.26	2.58½	Sep	3.12	3.16	3.12	3.15¼	+.02¾
3.26	2.72½	Dec	3.20½	3.23½	3.19¼	3.22¼	+.00½
3.70¼	2.79	Mar	3.23	3.26	3.22	3.24¾	+.00¼
3.31	2.80½	May	3.19	3.20½	3.18	3.19½	
3.12¾	2.79	Jul	3.06	3.07½	3.05	3.06¾	+.00¾
3.19	2.92	Sep	3.13	3.13	3.13	3.13¾	+.00¼

Est. Sales Prev. Sales 7,125
Prev. Day Open Int. 52,889 off 12

WHEAT (KCBT) 5,000 bu minimum- dollars per bushel

Sep	3.12	3.13½	3.11	3.13½ +	.00¾
Dec	3.17¼	3.19¾	3.16½	3.19 +	.00¾
Mar	3.20	3.22	3.19	3.21½ +	.00½
May	3.13½	3.18	3.13½	3.18 +	.03
Jul	3.04½	3.07½	3.04	3.07 —	.01½

Est.Sales Prv.Sales 2,517 Prev.Day Open Int 36,881 Chg. —337

CORN (CBT) 5,000 bu minimum-dollars per bushel

Season High	Season Low		Open	High	Low	Close	Chg.
2.87½	2.18½	Sep	2.43½	2.46¾	2.43½	2.44¾	—.00¼
2.75	2.20	Dec	2.50	2.52½	2.49½	2.50¼	—.00¾
2.77¼	2.28½	Mar	2.57¾	2.60¼	2.57	2.58¼	
2.79½	2.34¾	May	2.62½	2.64½	2.62	2.62¾	—.00½
2.82	2.39½	Jul	2.65	2.66½	2.64½	2.65¾	
2.65	2.36½	Sep	2.54	2.54	2.52	2.52¼	—.00¾
2.57¾	2.36½	Dec	2.50½	2.50½	2.48¾	2.49¼	—.01

Est. Sales Prev. Sales 28,497
Prev. Day Open Int. 209,246 up 367

SOYBEANS (CBT) 5,000 bu minimum-dollars per bushel

Season High	Season Low		Open	High	Low	Close	Chg.
6.54	5.13½	Sep	5.72	5.79½	5.69½	5.76½	+.01¾
6.74	5.17	Nov	5.81¼	5.91	5.81	5.86½	+.01½
6.59	5.27½	Jan	5.94	6.01¾	5.92¼	5.97¼	+.01
6.66	5.38	Mar	6.05	6.12	6.03½	6.07¾	+.00¾
6.68	5.47	May	6.12	6.18½	6.11	6.14¾	+.01¼
6.68	5.62½	Jul	6.17	6.23¾	6.15½	6.18¾	+.00¾
6.60	5.90	Aug	6.12	6.12	6.12	6.13½	—.00½
6.28	5.57	Sep	5.90	5.97	5.90	5.90	+.03
6.20¾	5.52	Nov	5.83	5.88½	5.82	5.84¼	+.01½

Est. Sales Prev. Sales 23,478
Prev. Day Open Int. 88,214 up 748

SOYBEAN MEAL (CBT) 100 tons- dollars per ton

Season High	Season Low		Open	High	Low	Close	Chg.
195.20	160.00	Sep	187.00	190.40	186.00	189.10	+1.90
195.00	159.90	Oct	184.20	188.50	184.20	186.80	+1.40
196.50	160.00	Dec	184.50	187.50	183.20	185.30	+.50
197.00	161.30	Jan	183.00	186.40	183.00	184.40	+.70
1180.00	163.50	Mar	182.50	185.30	182.00	183.00	
194.00	164.50	May	181.50	183.50	181.50	181.50	+.30
196.00	166.00	Jul	181.00	183.30	180.50	180.50	—.50
184.50	172.50	Aug	182.00	182.00	182.00	182.00	+1.50
183.50	173.00	Sep	182.00	182.00	182.80	182.00	+1.50

Est. Sales Prev. Sales 12,699
Prev. Day Open Int. 63,541 up 165

SOYBEAN OIL (CBT) 60,000 lbs- dollars per 100 lbs.

Season High	Season Low		Open	High	Low	Close	Chg.
25.10	18.37	Sep	20.43	20.50	20.19	20.47	—.03
24.90	18.50	Oct	20.50	20.50	20.25	20.46	—.07
24.05	18.81	Dec	20.83	20.83	20.61	20.77	—.14
24.15	19.00	Jan	20.95	20.98	20.84	20.95	—.18
24.10	19.32	Mar	21.30	21.30	21.12	21.28	—.07
23.90	19.62	May	21.48	21.56	21.48	21.45	—.15
24.30	19.90	Jul	21.80	21.80	21.80	21.68	—.17
22.10	20.05	Aug	21.80	21.80	21.80	21.75	—.20
21.90	21.20	Sep				21.67	—.18
22.00	21.95	Oct				21.67	—.18

Est. Sales Prev. Sales 13,844
Prev. Day Open Int. 67,326 up 784

Livestock

CATTLE (CME) 40,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
76.90	68.62	Oct	72.10	72.15	71.50	71.77	—.35
77.00	71.15	Dec	74.62	74.80	74.42	74.67	—.10
76.70	71.00	Feb	72.75	72.90	72.55	72.70	—.10
77.00	72.10	Apr	73.40	73.52	73.30	73.35	—.07
75.15	70.25	Jun	71.25	71.30	71.02	71.25	—.10
72.60	69.25	Aug				69.55	—.15

Est. Sales 12,345 Prev. Sales 19,251
Prev. Day Open Int. 73,417 off 1,979

FEEDER CATTLE (CME) 44,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
88.95	79.75	Sep	85.50	85.50	85.10	85.40	—.12
88.30	80.28	Oct	84.20	84.20	83.65	83.95	—.27
88.10	80.90	Nov	83.92	83.92	83.50	83.67	—.20
87.80	80.80	Jan	83.42	83.47	83.15	83.27	—.18
87.10	80.27	Mar	82.40	82.50	82.35	82.50	
87.00	79.95	Apr	82.17	82.20	82.00	82.15	—.02
86.50	78.95	May	81.15	81.15	81.00	81.05	—.17
80.80	80.55	Aug				80.80	

Est. Sales 1,482 Prev. Sales 1,863
Prev. Day Open Int. 11,037 up 7

HOGS (CME) 40,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
49.55	42.05	Oct	45.30	45.50	44.90	45.30	
48.92	42.00	Dec	45.00	45.25	44.80	45.02	—.03
48.25	41.60	Feb	44.55	44.65	44.20	44.32	—.10
46.62	40.70	Apr	42.65	42.75	42.45	42.60	+.05
50.60	45.55	Jun	46.70	46.70	46.70	46.72	+.07
48.20	45.60	Jul				46.95	+.08
46.85	44.47	Aug				45.27	+.05

Est. Sales 3,997 Prev. Sales 6,018
Prev. Day Open Int. 16,535 off 186

PORK BELLIES (CME) 40,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
63.00	43.80	Feb	49.20	49.90	49.10	49.80	+.70
61.00	43.00	Mar	49.10	49.70	48.90	49.60	+.73
58.20	44.50	May	50.00	50.60	50.00	50.45	+.65
57.00	44.90	Jul	50.25	50.25	49.68	50.30	+.75
51.00	42.55	Aug	47.25	48.00	47.25	48.00	+.80

Est. Sales 2,999 Prev. Sales 4,118
Prev. Day Open Int. 7,492 up 240

Food

COFFEE C (NYCSCE) 37,500 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
113.50	77.40	Sep	87.50	90.00	87.50	89.90	+2.10
116.00	81.40	Dec	91.25	93.80	91.25	93.55	+2.55
107.50	85.00	Mar	95.00	96.95	95.10	96.90	+2.60
108.00	87.40	May	97.40	99.00	97.40	99.65	+2.90
108.00	90.50	Jul	100.25	100.50	100.25	101.65	+2.35
108.00	92.25	Sep	102.50	104.20	102.50	104.20	+2.40
104.50	98.00	Dec	106.50	107.25	106.50	106.80	+2.30

Est. Sales 10,604 Prev. Sales 7,243
Prev. Day Open Int. 40,110 up 77

SUGARWORLD 11 (NYCSCE) 112,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
14.40	7.45	Oct	9.20	9.22	8.97	9.03	—.17
10.14	7.56	Mar	8.75	8.77	8.67	8.70	—.15
9.77	7.65	May	8.70	8.70	8.61	8.62	—.18
9.05	7.80	Jul	8.66	8.68	8.60	8.66	—.22
9.00	7.93	Oct	8.69	8.70	8.60	8.60	—.15

Est. Sales 12,349 Prev. Sales 23,112
Prev. Day Open Int. 102,559 off 1,342

COCOA (NYCSCE) 10 metric tons- $ per ton

Season High	Season Low		Open	High	Low	Close	Chg.
1515	893	Sep	1165	1165	1155	1163	—5
1535	953	Dec	1198	1208	1188	1204	—1
1538	997	Mar	1243	1257	1240	1256	+3
1385	1026	May	1270	1288	1268	1285	+5
1385	1056	Jul				1310	+5
1317	1080	Sep				1331	+5
1340	1119	Dec	1350	1366	1350	1366	+5
1386	1272	Mar				1401	+5
1411	1210	May				1425	+5
1447	1294	Jul				1446	+5

Est. Sales 4,083 Prev. Sales 7,863
Prev. Day Open Int. 54,272 up 451

ORANGE JUICE (NYCE) 15,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
127.00	106.00	Sep	119.00	119.60	119.00	119.40	+.50
121.00	111.00	Nov	118.50	119.30	118.50	118.70	+.50
120.50	112.65	Jan	118.20	119.00	118.20	118.45	+.55
120.80	113.60	Mar	118.90	119.60	118.90	119.25	+.50
120.00	115.00	May	120.20	120.20	120.00	119.95	+.25
119.45	115.25	Jul	120.40	120.80	120.40	120.40	+.70
119.00	118.85	Sep				120.60	+.90
		Nov				120.60	+.90
		Jan				120.60	+.90

Est. Sales Prev. Sales 541
Prev. Day Open Int. 8,495 up 240

Metals

HI GRADE COPPER (COMEX) 25,000 lbs.- cents per lb.

Season High	Season Low		Open	High	Low	Close	Chg.
110.50	9.20	Sep	106.70	107.00	105.90	105.95	—.65
106.90	95.30	Oct	106.30	106.30	105.40	105.40	—.80
105.85	95.10	Nov	106.00	106.00	105.00	105.05	—.90
108.50	94.50	Dec	105.80	105.95	104.60	104.70	—.80
104.60	95.00	Jan	104.90	104.90	104.10	103.80	—.90
105.10	95.00	Feb				103.15	—.90
106.80	93.90	Mar	103.60	103.70	102.60	102.50	—.90
100.50	93.50	Apr				101.90	—.90
106.20	93.30	May	102.70	102.70	101.80	101.35	—.95
99.90	95.10	Jun				100.90	—.95
103.80	92.80	Jul	101.30	101.30	101.30	100.50	—.90
99.10	98.70	Aug				100.05	—.90
103.45	92.80	Sep	100.30	100.30	100.30	99.75	—.75
100.50	91.60	Dec	99.20	99.20	98.70	98.45	—.75
97.60	2.50	Jan				97.90	—.65
98.00	92.80	Mar				97.40	—.50
96.10	93.70	May				97.05	—.30
		Jul				96.80	—.05

Est. Sales 5,000 Prev. Sales 10,494
Prev. Day Open Int. 40,191 up 1,859

SILVER (COMEX) 5,000 troy oz.- cents per troy oz.

Season High	Season Low		Open	High	Low	Close	Chg.
654.0	367.5	Sep	399.0	406.0	397.0	404.1	+7.2
398.0	398.0	Oct				405.4	+7.2
386.0	386.0	Nov				407.5	+7.2
623.5	374.0	Dec	404.5	412.0	403.0	410.0	+7.2
596.0	391.0	Jan				412.2	+7.2
613.0	382.0	Mar	409.5	418.0	409.5	416.8	+7.2
589.0	385.0	May	420.5	421.0	420.5	421.5	+7.3
557.0	395.0	Jul				425.9	+7.4
483.0	408.0	Sep				430.9	+7.4
507.0	408.0	Dec	432.0	439.0	432.0	438.3	+7.5
505.0	440.8	Jan				441.2	+7.5
513.0	429.0	Mar				446.3	+7.6
473.0	438.0	May				451.9	+7.8
447.0	439.0	Jul	458.5	458.5	458.5	457.6	+8.0

Est. Sales 15,000 Prev. Sales 20,657
Prev. Day Open Int. 87,235 off 641

PLATINUM (NYME) 50 troy oz.- dollars per troy oz.

Season High	Season Low		Open	High	Low	Close	Chg.
513.00	330.00	Oct	350.00	353.00	350.00	351.70	+.10
451.50	334.50	Jan	354.00	357.50	354.00	356.10	+.10
438.50	339.50	Apr	358.50	358.50	358.00	359.90	+.10
427.50	342.00	Jul				363.70	+.10
404.00	356.50	Oct				371.00	+.10

Est. Sales Prev. Sales 3,270
Prev. Day Open Int. 19,034 off 311

PALLADIUM (NYME) 100 troy oz- dollars per oz

Season High	Season Low		Open	High	Low	Close	Chg.
119.40	77.50	Sep				81.70	
114.50	78.00	Dec	83.00	83.50	82.70	82.70	
135.75	80.30	Mar	84.50	84.50	84.40	83.60	
107.75	83.50	Jun				85.10	

Est. Sales Prev. Sales 151
Prev. Day Open Int. 4,033 off 3

GOLD (COMEX) 100 troy oz.- dollars per troy oz.

Season High	Season Low		Open	High	Low	Close	Chg.
375.00	346.20	Sep				351.10	+2.00
476.00	346.50	Oct	351.50	353.30	351.40	352.10	+1.90
		Nov				353.60	+1.80
483.00	350.00	Dec	354.50	357.00	354.30	355.20	+1.80
456.50	353.50	Feb	357.50	359.50	357.50	358.30	+1.90
446.00	355.00	Apr	360.00	361.30	360.60	361.20	+1.90
467.00	360.00	Jun				364.30	+1.90
426.50	362.00	Aug	367.00	367.00	367.00	367.50	+1.90
410.80	366.60	Oct				370.60	+1.90
406.80	370.00	Dec	374.10	374.10	374.10	373.80	+1.90
404.20	404.20	Feb				377.30	+1.90
410.00	388.50	Apr	381.70	381.70	381.70	380.60	+1.90
411.80	384.00	Jun	384.50	384.50	384.50	384.00	+1.90

Est. Sales 17,000 Prev. Sales 24,041
Prev Day Open Int. 106,097 off 3,016

Financial

US T. BILLS (IMM) $1 million- pts of 100 pct.

Season High	Season Low		Open	High	Low	Close	Chg.
95.12	91.60	Sep	94.75	94.77	94.72	94.75	+.02
95.20	92.24	Dec	94.73	94.77	94.72	94.75	+.04
95.20	93.42	Mar	94.74	94.80	94.74	94.78	+.05
94.65	93.15	Jun				94.52	+.05
94.08	93.87	Sep	94.16	94.16	94.15	94.15	+.06
		Dec				93.60	

Est. Sales 6,464 Prev. Sales 6,770
Prev. Day Open Int. 50,070 off 710

5 YR. TREASURY (CBT) $100,000 prin- pts & 32nds of 100 pct

Season High	Season Low		Open	High	Low	Close	Chg.
03.200	98.275	Sep	102.315	103.055	102.315	103.025	+.725
02.150	98.190	Dec	102.065	102.145	102.060	102.110	+.045
01.085	99.250	Mar				101.230	+.045

Est. Sales Prev. Sales 20,957
Prev. Day Open Int. 83,698 up 927

10 YR. TREASURY (CBT) $100,000 prin- pts & 32nds of 100 pct

Season High	Season Low		Open	High	Low	Close	Chg.
101-16	96-1	Sep	101-6	101-18	101-5	101-15	+8
100-24	95-15	Dec	100-16	100-29	100-15	100-25	+9
99-30	95-8	Mar				100-5	+9
99-13	98-11	Jun				99-18	+9

Est. Sales Prev. Sales 33,440
Prev. Day Open Int. 98,354 off 1,812

US TREASURY BONDS (CBT) (8 pct-$100,000-pts & 32nds of 100 pct)

Season High	Season Low		Open	High	Low	Close	Chg.
99-5	85-29	Sep	98-21	99-1	98-18	98-26	+4
98-20	85-19	Dec	97-27	98-7	97-23	98	+5
98-13	85-14	Mar	97-1	97-15	97-1	97-9	+5
97-19	85-1	Jun	96-17	96-23	96-17	96-18	+5
95-27	87-14	Sep	96-1	96-1	95-30	95-30	+6
95-8	85-6	Dec	95-16	95-16	95-12	95-12	+6
94-26	90-16	Mar				94-28	+6
92-29	90-22	Jun				94-12	+6
91	90	Sep				93-29	+6
		Dec				93-15	+5
90-7	90	Mar				93-2	+6

Est. Sales Prev. Sales 1,466
Prev. Day Open Int. 5,351 off 97,435

MUNICIPAL BONDS (CBT) $1000 x index- pts & 32nds of 100 pct

Season High	Season Low		Open	High	Low	Close	Chg.
94-7	84-7	Sep	94	94-2	93-28	93-28	—2
93-8	88-16	Dec	93-7	93-12	93-4	93-4	+1
92-25	88	Mar	92-25	92-25	92-25	92-25	+4

Est. Sales Prev. Sales 2,931
Prev. Day Open Int. 7,992 up 226

EURODOLLARS (IMM) $1 million- pts of 100 pct.

Season High	Season Low		Open	High	Low	Close	Chg.
94.48	90.04	Sep	94.36	94.38	94.33	94.36	+.02
94.22	90.04	Dec	94.13	94.18	94.12	94.16	+.07
94.23	90.09	Mar	94.15	94.19	94.13	94.16	+.04
93.90	98.35	Jun	93.86	93.90	93.85	93.88	+.06
93.45	90.32	Sep	93.45	93.50	93.44	93.49	+.07
92.92	90.24	Dec	92.89	92.94	92.89	92.92	+.06
92.77	90.28	Mar	92.73	92.79	92.73	92.76	+.05
92.50	90.27	Jun	92.47	92.51	92.46	92.48	+.04
92.24	90.27	Sep	92.25	92.28	92.24	92.25	+.03
91.93	90.22	Dec	91.95	91.98	91.93	91.95	+.03
91.95	90.24	Mar	91.97	92.00	91.95	91.97	+.03
91.84	90.40	Jun	91.87	91.89	91.85	91.86	+.02
91.71	90.36	Sep	91.74	91.75	91.71	91.73	+.03
91.50	90.71	Dec	91.53	91.55	91.51	91.53	+.02
91.53	90.75	Mar	91.56	91.58	91.53	91.56	+.02
91.45	90.71	Jun	91.50	91.50	91.46	91.48	+.02

Est. Sales 137,810 Prev. Sales 239,810
Prev. Day Open Int. 941,381 up 17,557

BRITISH POUND (IMM) $ per pound- 1 point equals $0.0001

Season High	Season Low		Open	High	Low	Close	Chg.
1.9340	1.5824	Sep	1.7240	1.7370	1.7210	1.7328	+150
1.7900	1.5670	Dec	1.7066	1.7186	1.7030	1.7146	+148
1.6700	1.5670	Mar	1.6950	1.7020	1.6900	1.7020	+176

Est. Sales 27,533 Prev. Sales 27,941
Prev. Day Open Int. 29,396 up 5,152

CANADIAN DOLLAR (IMM) $ per dlr- 1 point equals $0.0001

Season High	Season Low		Open	High	Low	Close	Chg.
.8779	.7985	Sep	.8778	.8778	.8768	.8769	—3
.8715	.8175	Dec	.8718	.8718	.8708	.8709	—3
.8654	.8268	Mar	.8660	.8667	.8656	.8655	
.8600	.8330	Jun				.8604	
.8540	.8420	Sep				.8551	—3
		Dec				.8501	—3

Est. Sales 8,994 Prev. Sales 6,152
Prev. Day Open Int. 31,655 up 1,243

GERMAN MARK (IMM) $ per mark- 1 point equals $0.0001

Season High	Season Low		Open	High	Low	Close	Chg.
.6810	.5401	Sep	.5853	.5916	.5850	.5906	+83
.6770	.5365	Dec	.5807	.5864	.5800	.5853	+80
.5840	.5353	Mar	.5770	.5815	.5760	.5805	+78
.5622	.5322	Jun				.5760	+77

Est. Sales 53,592 Prev. Sales 66,854
Prev. Day Open Int. 77,429 up 4,898

JAPANESE YEN (IMM) $ per yen- 1 point equals $0.000001

Season High	Season Low		Open	High	Low	Close	Chg.
.007870	.007003	Sep	.007398	.007425	.007386	.007425	+59
.007559	.006997	Dec	.007381	.007408	.007368	.007406	+59
.007350	.007000	Mar	.007380	.007395	.007368	.007397	+58
.007281	.007150	Jun				.007394	+59
.007280	.007280	Sep				.007395	+60

Est. Sales 24,031 Prev. Sales 32,824
Prev. Day Open Int. 68,241 off 545

SWISS FRANC (IMM) $ per franc- 1 point equals $0.0001

Season High	Season Low		Open	High	Low	Close	Chg.
.8055	.6254	Sep	.6673	.6749	.6664	.6738	+103
.8090	.6240	Dec	.6631	.6710	.6623	.6696	+100
.6995	.6267	Mar	.6607	.6670	.6607	.6665	+98
		Jun				.6635	+93

Est. Sales 20,575 Prev. Sales 32,109
Prev. Day Open Int. 36,299 up 1,808

Industrials

COTTON 2 (NYCE) 50,000 lbs.- cents per lb

Season High	Season Low		Open	High	Low	Close	Chg.
83.30	62.30	Oct	65.30	65.95	64.70	65.94	+.37
76.35	63.51	Dec	66.02	67.00	65.60	66.95	+.83
77.15	64.45	Mar	67.45	68.15	66.85	68.13	+.63
92.25	65.10	May	68.00	68.75	68.00	68.93	+.78
77.70	66.50	Jul	68.65	69.00	68.65	69.63	+.78
70.60	66.35	Oct				67.48	+.03
69.00	65.65	Dec	66.90	66.90	66.85	66.90	—.20

Est. Sales 5,000 Prev. Sales 4,153
Prev. Day Open Int. 39,587 off 64

HEATING OIL (NYME) 42,000 gal- cents per gal

Season High	Season Low		Open	High	Low	Close	Chg.
85.00	51.30	Oct	61.90	61.95	61.30	61.70	—.58
78.00	52.30	Nov	62.90	63.05	62.50	62.85	—.61
82.62	53.30	Dec	63.90	64.20	63.60	63.85	—.50
69.10	53.40	Jan	64.00	64.25	63.80	64.10	—.54
67.30	52.25	Feb	62.75	62.90	62.40	62.80	—.39
64.50	51.40	Mar	60.25	60.25	59.90	60.00	—.59
61.80	50.00	Apr	57.90	58.05	57.70	57.85	—.44

Est. Sales Prev. Sales 20,563
Prev. Day Open Int. 126,963 up 1,925

CRUDE OIL (NYME) 1,000 bbl.- dollars per bbl.

Season High	Season Low		Open	High	Low	Close	Chg.
28.40	17.04	Oct	21.40	21.44	21.25	21.35	—.22
28.10	17.20	Nov	21.40	21.43	21.24	21.32	—.23
27.70	17.10	Dec	21.38	21.40	21.22	21.30	—.20
27.60	17.25	Jan	21.30	21.33	21.16	21.19	—.22
23.00	17.50	Feb	21.20	21.20	21.09	21.10	—.20
26.75	17.25	Mar	21.03	21.03	20.96	20.96	—.21
26.50	17.50	Apr	20.93	20.93	20.86	20.89	—.17
24.60	17.30	May	20.85	20.85	20.84	20.84	—.13
24.50	17.70	Jun				20.78	—.11
22.11	17.90	Jul	20.70	20.70	20.60	20.68	—.13
21.33	17.75	Aug	20.64	20.65	20.55	20.55	—.21
24.00	17.78	Sep	20.45	20.45	20.45	20.45	—.10
21.35	18.85	Oct	20.66	20.66	20.66	20.66	—.09

Est. Sales Prev. Sales 66,965
Prev. Day Open Int. 257,443 off 588

UNLEADED GASOLINE (NYME) 42,000 gal- cents per gal

Season High	Season Low		Open	High	Low	Close	Chg.
86.75	49.75	Oct	60.80	61.00	60.30	60.75	—.40
66.75	48.60	Nov	59.40	59.65	59.25	59.40	—.46
75.25	47.75	Dec	58.45	58.60	58.20	58.40	—.35
61.60	47.00	Jan	57.60	57.80	57.60	57.65	—.35
61.35	50.70	Feb	57.75	58.10	57.75	57.90	—.35
62.60	50.50	Mar	58.95	59.30	58.95	59.10	—.35
66.40	57.30	Apr	63.55	63.55	63.55	63.55	—.10
63.00	58.60	Jul	61.20	61.20	61.00	61.00	+.15

Est. Sales Prev. Sales 26,159
Prev. Day Open Int. 90,647 up 1,246

Stock Indexes

SP COMP. INDEX (CME) points and cents

Season High	Season Low		Open	High	Low	Close	Chg.
398.60	304.00	Sep	389.20	390.20	388.10	388.65	—.80
401.50	321.75	Dec	392.00	392.90	391.00	391.50	—.80
403.20	380.00	Mar	394.30	394.30	394.30	394.25	—.80
400.40	392.50	Jun				397.40	—.80

Est. Sales Prev. Sales 51,927
Prev. Day Open Int. 153,227 off 506

NYSE COMP. INDEX (NYFE) points and cents

Season High	Season Low		Open	High	Low	Close	Chg.
218.45	173.10	Sep	213.50	214.00	212.85	213.20	—.40
219.70	175.50	Dec	214.60	215.35	214.20	214.50	—.40
220.35	207.20	Mar	216.50	216.50	215.50	215.80	—.40
218.20	208.90	Jun				217.10	—.40

Est. Sales Prev. Sales 4,931
Prev. Day Open Int. 6,308 off 95

Commodity Indexes

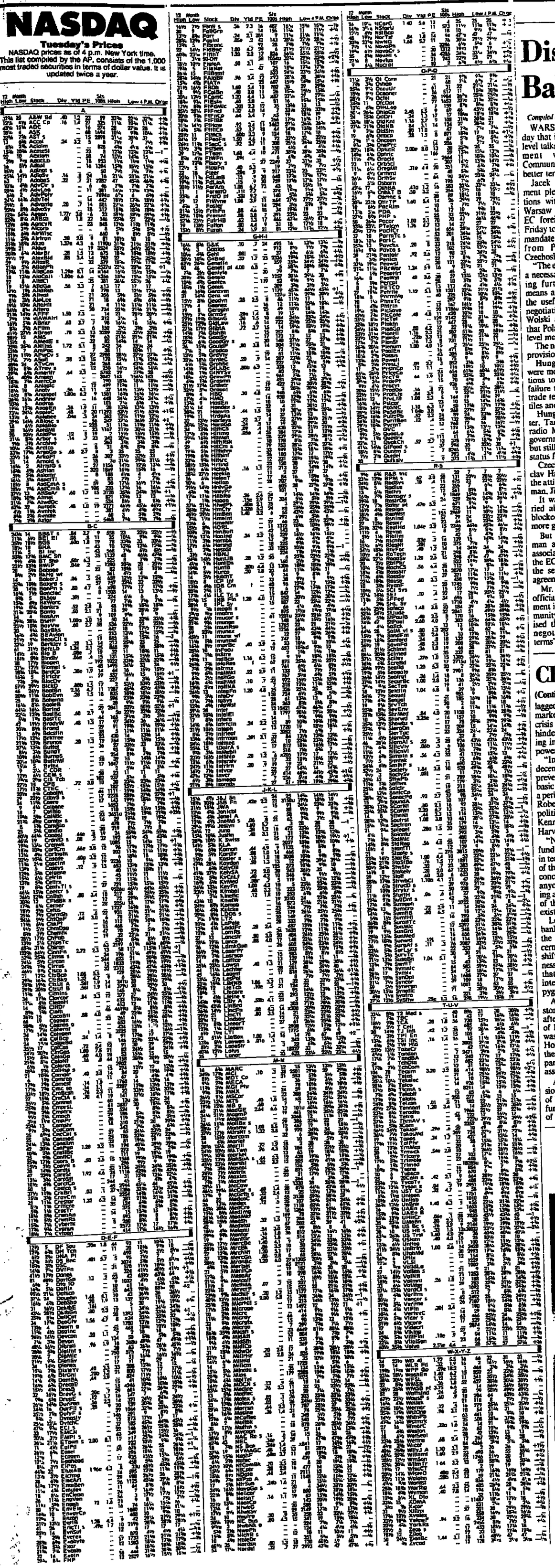
	Close	Previous
Moody's	1,030.50	1,024.30
Reuters	1,665.10	1,669.10
Dow Jones Futures	124.02	123.48
Comm. Research	214.50	214.30

NASDAQ
Tuesday's Prices

NASDAQ

Tuesday's Prices

NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.



Disillusioned Poles Balk on EC Talks

Compiled by Our Staff From Dispatches

WARSAW — Poland said Monday that it would not attend high-level talks on an association agreement with the European Community until the EC offered better terms for Polish exports.

Jacek Sariusz-Wolski, government plenipotentiary for negotiations with the Community, said Warsaw was disillusioned by the EC foreign ministers' failure on Friday to broaden their negotiating mandate on trade terms for exports from Poland, Hungary and Czechoslovakia.

"The extension of the mandate is a necessary condition for conducting further negotiations, which means at this stage we do not see the usefulness of further plenary negotiating rounds," Mr. Sariusz-Wolski said. He added, however, that Poland did not exclude lower-level meetings of experts.

The next round of negotiations is provisionally set for Sept. 19 or 20.

Hungary and Czechoslovakia were more moderate in their reactions to the EC foreign ministers' failure to agree on more generous trade terms for farm produce, textiles and steel.

Hungary's deputy foreign minister, Tamas Katona, said on state radio Monday that the Budapest government was also disappointed, but still hoped to win EC associate status for Hungary by Jan. 1.

Czechoslovakia's president, Vaclav Havel, was "disappointed by the attitude of France," his spokesman, Jiri Oberfalzer, said Monday.

It was principally France, worried about its beef farmers, that blocked proposals Friday to offer more generous terms of trade.

But the Czechoslovak spokesman added that the process for associating the three countries with the EC "is not threatened" despite the setback, and he added, "the agreement will take effect soon."

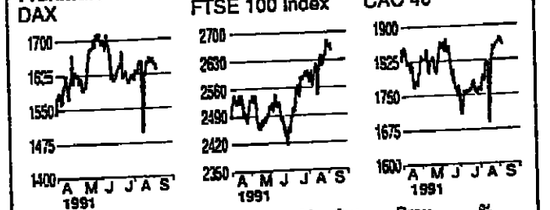
Mr. Sariusz-Wolski, the Polish official, said Poland's "disillusionment is even greater because Community member countries promised they would try to accelerate negotiations and offer better terms" after the upheaval in the Soviet Union last month, which raised fears of a resurgence of reactionary Communist forces.

He said Poland hoped a meeting of EC foreign ministers on Sept. 30 might agree to extend the negotiating mandate.

Poland would welcome any solution under the so-called triangular option, which refers to stimulating the three former East Bloc countries' trade with the Soviet Union. Mr. Sariusz-Wolski said. "But this would in no way substitute for easy access to EC markets," he added.

Asked if Poland still expected to conclude an association accord with the EC this year, Mr. Sariusz-Wolski said: "We still hope, but we expect further extension of the mandate and consistency between declarations and economic concessions." *(Reuters, AFP)*

Investor's Europe



Exchange	Index	Monday Close	Prev. Close	% Change
Amsterdam	CBS Trend	92.40	92.60	-0.22
Brussels	Stock Index	5,633.91	5,672.38	-0.65
Frankfurt	DAX	1,633.06	1,646.18	-0.80
Frankfurt	FAZ	678.37	683.00	-0.68
Helsinki	HEX	936.20	941.80	-0.59
London	Financial Times 30	2,088.50	2,093.50	-0.24
London	FTSE 100	2,653.20	2,667.40	-0.53
Madrid	General Index	272.30	273.35	-0.38
Milan	MIB	1,066.00	1,075.00	-0.84
Paris	CAC 40	1,855.68	1,860.39	-0.24
Stockholm	Affarsvarlden	1,083.10	1,075.10	+0.65
Vienna	Stock Index	536.92	533.05	+0.73
Zurich	SBS	Closed	627.50	-

International Herald Tribune

Sources: Reuters, AFP

Hungary to Sell Majority Stake In Store Chain

Reuters

BUDAPEST — Hungary is selling a majority stake in much of its state-owned Centrum department store chain, Barclays deZoete Wedd Ltd. said on Monday.

The London-based securities house, which is advising the government on the deal, said retailers from nine Western countries were asked to bid for a 51 percent stake in the new company.

It will comprise most of Centrum's large outlets and include a nationwide chain of 25 full-service department stores.

Centrum, one of Hungary's leading retailers, had sales last year of 17.16 billion forints ($225 million).

The sale is expected to be completed by the end of the year.

Very briefly:

- **Deutsche Aerospace AG** said it was considering raising its 3.5 percent stake in **Construcciones Aeronauticas SA** of Spain.
- **Kawasaki Heavy Industries Ltd.** is being solicited to form a joint venture to build motorcycles at a Polish aviation factory in Swidnik.
- **Generale Bank NV** of Belgium is expected on Wednesday to post a modest profit increase for the first half of the year.
- **Redland PLC** said its German subsidiary Braas & Co. was spending £30 million ($51.6 million) to acquire a brickworks and clay reserves, and build a tile plant, at Narsdorf, near Leipzig.
- **Thyssen Handelsunion AG** said its venture with **Lyonnaise des Eaux-Dumez**, called Eurawasser GmbH, expected to win approval to supply the city of Rostock with drinking water.
- **Crédit Local de France** will be listed on the Paris Bourse on Nov. 19.
- **Western Germany's** consumer inflation rate was 4.1 percent in August, the Federal Statistics Office reported, confirming preliminary figures.
- **Chancellor Helmut Kohl** called for employers and trade unions to exercise greater restraint in wage agreements.
- **British** retail sales volume was revised up to a final, seasonally adjusted 0.7 percent in July, from the rise of 0.3 percent previously reported.
- **French** farmers protesting the importation of cheap meat from Eastern Europe stopped trucks on the Cahors-Limoges road to check their loads.
- **Sumitomo Corp.** said it and four German companies had won a 52 billion yen ($383 million) Iranian order for a paper plant.
- **Air France** reiterated that it did not want a stake in **Sabena SA**.

CHANGES: *New Deal Overhaul*

(Continued from first finance page)

lagged behind the realities of the marketplace, contributing to the crisis in the banking industry and hindering energy policy by restricting industrial companies from the power business.

"In the 1930s, we assumed that decentralization was the way to prevent mischief, and there was a basic mistrust of bigness, fueled by a period of populist upheaval," said Robert B. Reich, a professor of political economy at the John F. Kennedy School of Government at Harvard University.

"Now the world has changed fundamentally, through advances in technology and the globalization of the marketplace. As a result, the concerns of the 1930s are not on anyone's mind. Washington is acting as if the Great Crash and many of the excesses of the 1920s never existed."

Lowell L. Bryan, head of the banking group at McKinsey & Co., the management consulting concern, said the change reflects a shifting view from "the fear of bigness in the 1930s to the new fear that American institutions in the international sphere have become pygmies."

As a consequence, such cornerstones of the New Deal and its aftermath as the Glass-Steagall Act of 1933, the McFadden Act, which was amended in 1933, the Bank Holding Company Act of 1956 and the Public Utilities Holding Company Act of 1935 are coming under assault.

Another product of the Depression, the Investment Company Act of 1940, which regulates the mutual fund industry, is also in the process of undergoing a re-examination by the Securities and Exchange Commission, although changes in that law are not likely to be as radical as those in the other laws.

At the same time, a movement has been gaining ground to overhaul the Public Utility Holding Company Act of 1935, a law that gives the SEC jurisdiction over certain kinds of conglomerates that generate power.

The law has not only kept industrial companies out of the power business, but has also kept utilities out of the business of building generating plants outside their territories and selling the power on the open market.

In a letter this year to House Speaker Thomas S. Foley, Democrat of Washington, Energy Secretary James D. Watkins wrote that "regulatory structures that were appropriate in the 1930s are no longer appropriate" for public utilities.

Paradoxically, many of the same forces that led to the laws in the 1930s are contributing to their demise: a banking system in turmoil and securities markets plagued by scandal.

By 1933, half of the $50 billion of securities sold in the nation during the prior 13 years were worthless.

More than 5,000 banks failed from 1930 to 1932, resulting in depositor losses of almost $800 million, or more than $6 billion in 1990 dollars. Four thousand banks failed in 1933.

The fund that insures bank deposits is now at its lowest level since it was created in the Depression, and by many accounts it will be out of money by year's end.

Pessimistic Profit Picture Sends BAe Stock Diving

Compiled by Our Staff From Dispatches

LONDON — British Aerospace PLC's stock price plunged 6.5 percent Monday after the company warned that its profit for 1991 would be well below the latest estimates in news reports.

BAe is to report its profit for the first six months of the year on Wednesday, and there is growing market speculation that it will also announce a rights issue of £500 million ($860 million). The aerospace company said nothing about its expectations for half-year profit.

Reports in British Sunday newspapers predicted 1991 full-year pretax profit for BAe ranging from £290 million to £350 million, down from £376 million in 1990.

But BAe said Monday that its own expectation for full-year profit was "well below the numbers mentioned in the weekend press." That sent the shares tumbling 36 pence, to 516. *(AFP, Reuters)*

HYPO FOREIGN AND COLONIAL PORTFOLIOS FUND, SICAV

Registered Office: Luxembourg, 14, rue Aldringen
R.C. Luxembourg Section B n° 25.570

DIVIDEND ANNOUNCEMENT

The shareholders are hereby informed that the Board of Directors Meeting of August 27th, 1991 has approved the payment of a dividend of

GBP 0,48 per share for Hypo F&C STERLING SHORT TERM ASSETS PORTFOLIO payable against presentation of coupon n° 3;

US$ 0,32 per share for Hypo F&C MULTI-CURRENCY BOND PORFOLIO payable against presentation of coupon n° 4;

US$ 0,32 per share for Hypo F&C NORTH AMERICAN BOND PORTFOLIO payable against presentation of coupon n° 4;

GBP 0,53 per share for Hypo F&C STERLING BOND PORTFOLIO payable against presentation of coupon n° 4;

to shares subscribed and in circulation on August 27th, 1991 payable on September 10th, 1991 against presentation of their respective coupons. The shares are to be quoted ex-date August 27th, 1991.

The shareholders can cash the dividend at the following bank:

Banque Générale du Luxembourg S.A.
27, avenue Monterey
LUXEMBOURG.

The Board of Directors

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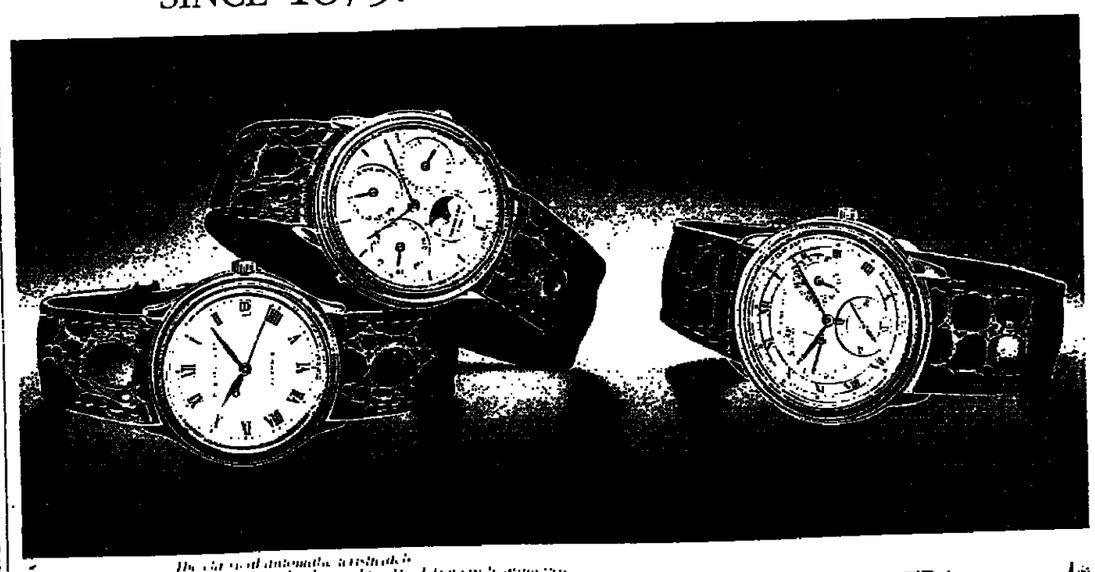

The Grande Complication wristwatch in Pink Gold with enamel dial and the Dual Time wristwatch in Stainless Steel with an automatic movement

Audemars Piguet

Audemars Piguet & Cie S.A., 1348 Le Brassus, Switzerland

Phone System Finds Nearest Franchise

By Anthony Ramirez
New York Times Service

NEW YORK — American Telephone & Telegraph Co. and Domino's Pizza Inc. are testing a system that could revolutionize how consumers obtain a variety of goods and services by telephone, from ordering fast food to emergency road repairs.

The service is a toll-free telephone number that does not require a caller to dial an area code. Calls are routed to the most convenient branch office or franchisee of a national chain, just as if the caller had dialed the local office directly. Thus, callers would need to know only one number for each company they wish to call, no matter where they were phoning from.

The service seems to have several advantages over widely used "800" numbers, which connect callers to a central bank of telephone operators. Called Store Finder, it uses just seven digits, not 11, and all will start with "950." That makes the number easier to remember and therefore easier to advertise.

Using innovative computerized map-reading to match callers' telephone numbers with stores, Store Finder takes seven to 11 seconds to complete a call. That is only a few seconds more than a normal call. It is also much faster than the several minutes it might take for a human operator to answer an 800 number, consult a map, find a store and confirm the caller's location and the store are really in the same area.

AT&T has not yet started marketing the service, but it said that almost any national business that depends on a network of outlets might be interested. Rental car agencies, florists, clothing stores and repair centers, even insurance companies and auto dealerships, would be among the likely users.

"This service provides a company with a way of establishing a national identity, but with a local feeling," said Priscilla A. Cronin, product manager for AT&T Transaction Services, which is developing the system.

Calls are routed to the most convenient branch office or franchisee of a national chain, just as if the caller had dialed the local office directly.

It is no coincidence that Domino's Pizza, the largest U.S. pizza-delivery company, is the first to test Store Finder. Domino's, based in Ann Arbor, Mich., came up with the idea. AT&T is providing the equipment and computer know-how to make it work. The service has taken two years to develop.

Domino's, which is privately owned, is facing pressure from an aggressively expanding Pizza Hut chain and is eager to develop the service to keep its edge over its rival.

Domino's still has a 50 percent share of the pizza-delivery market, which last year totaled more than $5 billion. But where it once had that market nearly all to itself, it is now getting big competition from the much larger Pizza Hut, a Pepsico Inc. subsidiary with nearly $5 billion in revenue worldwide last year and now with nearly a quarter of the delivery market as well.

The results so far in a three-month trial in Jacksonville, Florida, are promising, according to AT&T.

But a few bugs remain. The system can, in the rare instances where it is overwhelmed by calls, shove out store assignments at random. Mobile telephones and unlisted numbers pose some problems, too. Accordingly, AT&T and Domino's researchers must still determine whether the system can work under all likely conditions. If the tests are successful, AT&T will immediately begin trying to sell Store Finder to other companies.

Domino's, which last year sold nearly $2.7 billion in pizzas and sodas, estimated Store Finder would cost less than $10 million to install and about $30 million a year to operate, but it would be of incalculable benefit in customer good will.

NYSE

Tuesday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

(Continued)

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M.	Ch'ge
[illegible]										

AMEX

Tuesday's Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. *Via The Associated Press*

12 Month High	Low	Stock	Div	Yld	PE	Sls 100s	High	Low	4 P.M.	Ch'ge
[illegible]										

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.
a — dividend also extra(s).
b — annual rate of dividend plus stock dividend.
c — liquidating dividend.
cld — called.
d — new yearly low.
e — dividend declared or paid in preceding 12 months.
g — dividend in Canadian funds, subject to 15% non-residence tax.
i — dividend declared after split-up or stock dividend.
j — dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting.
k — dividend declared or paid this year, an accumulative issue with dividends in arrears.
n — new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd — next day delivery.
P/E — price-earnings ratio.
r — dividend declared or paid in preceding 12 months, plus stock dividend.
s — stock split. Dividend begins with date of split.
sls — sales.
t — dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.
u — new yearly high.
v — trading halted.
vi — in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.
wd — when distributed.
wi — when issued.
ww — with warrants.
x — ex-dividend or ex-rights.
xdis — ex-distribution.
xw — without warrants.
y — ex-dividend and sales in full.
yld — yield.
z — sales in full.

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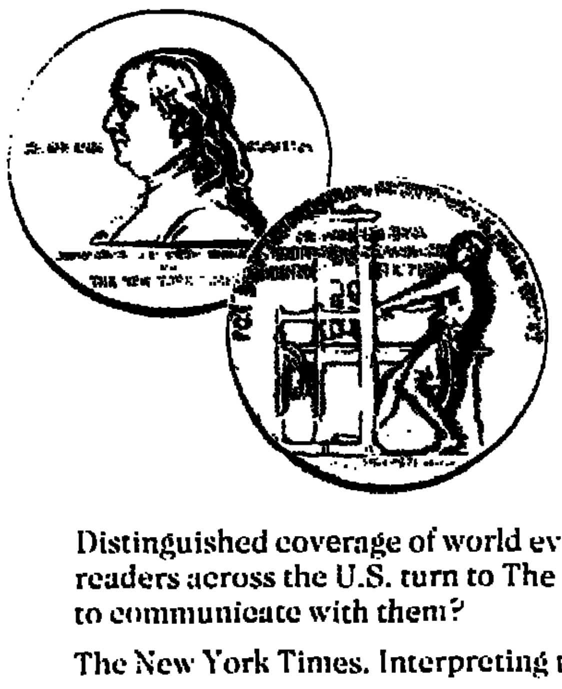

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1989
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New Zealand Privatizing Power Units

Agence France-Presse

WELLINGTON — New Zealand's retail electricity system is to be privatized in a multibillion dollar plan in which every adult New Zealander will be given shares, Energy Minister John Luxton said Monday.

Critics of the plan, which had been foreshadowed, have said it would push up power prices for individual customers to the benefit of business, and could lead to foreign ownership or domination of the electricity system.

The state-owned Electricity Corp. is responsible for generation and distribution while 52 local authorities sell the electricity. As the government moves to privatize the retailers, it is also considering a plan to break Electricorp itself into two or three units and sell them off.

The weekly Examiner newspaper has estimated the retail assets could be worth as much as 6 billion New Zealand dollars ($3.4 billion).

The retailers, mostly community owned boards or departments of regional councils, are to be turned into corporations. They will have to divest their shares free of charge to consumers within five years.

Estimates have variously put the value of each adult's potential stake at between 1,400 and 3,000 dollars.

Mr. Luxton said any single owner could not hold more than 10 percent of the shares. Critics have worried that domestic consumers will quickly sell the shares.

Roh Orders Austerity To Tame Trade Gap

Compiled by Our Staff From Dispatches

SEOUL — President Roh Tae Woo ordered austerity measures on Monday to prop up South Korea's economy, and he criticized ministers in financial areas for failing to take sufficient action.

Mr. Roh said the government must take the lead in curbing consumption by postponing construction of a massive government office complex and restricting travel abroad by officials. He said he would personally preside over the monthly economic conferences, which have until now been led by the economic planning minister.

He also ordered his cabinet to sharply curb the service and entertainment industries, while making sure that funds were made available to the manufacturing industry to encourage exports.

"Work out immediate measures to solve the trade deficit," Mr. Roh was quoted as saying by the Yonhap news agency. "Although the economy is unstable because of several reasons including the big trade deficit and inflation, there are no ministers who are trying actively to resolve the problem."

South Korea's trade deficit widened to $8.77 billion in the first eight months of this year from $4.8 billion a year earlier. The nation enjoyed multibillion dollar surpluses from 1986 to 1988. The inflation rate was 8.3 percent in eight-month span, up from 8.2 percent.

Last week, Mr. Roh reprimanded members of the economic team headed by Choi Gak Kyu, the deputy premier and economic planning minister, for an "easy-going" style. *(AFP, Reuters)*

Tokyo Chip Firms Curb Plans

By Steve Brull
International Herald Tribune

TOKYO — Leading Japanese semiconductor makers said Monday they were scaling back planned increases in production of advanced memory chips, a move analysts said could give rivals a chance to narrow Japan's technological lead and dominance of the field.

While it remains virtually certain that rival companies in South Korea, the United States and Germany will not catch the Japanese in technology or market share, their stronger competitive presence could make the industry less profitable overall, analysts said. "The Japanese are finding out that it is not always possible to make money with DRAMs," said Chuck Goto, an analyst at S.G. Warburg & Co.

Toshiba Corp., Hitachi Ltd. and NEC Corp. blamed the downward revision on sluggishness in the American personal computer industry, a major market for dynamic random access memory chips. They had forecast an upturn in the market and planned to boost production of four-megabit DRAMs by 40 percent to 80 percent over the next few months. Instead, increases will likely be kept to less than half the original targets, with some of the excess capacity shifted to static RAMs or custom chips.

Industry analysts said reining in production was necessary and useful for the Japanese firms because a tighter supply would shore up prices for four-megabit DRAMs. These chips now sell for 2,000 to 3,000 yen ($14.73 to $22.09) each, so low that only Hitachi is not losing money on them, Mr. Goto said.

As demand lags, overseas competitors have time to refine their technologies.

The new production targets will also guard against creation of excess supply of the sort that led to price wars in the mid-1980s. Those wars drove most of American memory-chip makers out of the business and led to U.S. charges of Japanese dumping; semiconductors became one of the most contentious U.S.-Japan trade issues.

Mr. Goto reckoned total Japanese production of four-megabit DRAMs in the last six months of 1991 will be 105 million units; this is an 80 percent jump over the first half of the year, but monthly output at year-end will be about 25 percent below original forecasts.

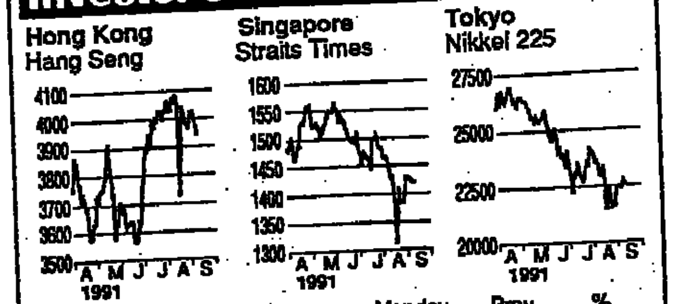
The cutbacks could have both short-term and long-term costs for the Japanese. In the short-term, lower production, coupled with sluggish demand for Japanese computers, spells smaller profits. Analysts said current profits at electronics makers are likely to fall 20 percent in the half year to Sept. 30, compared with the corresponding period a year earlier. Makers of semiconductor production equipment will also see declines in orders and profits.

The long-term damage may be greater. Although Japanese companies are continuing to boost production, the failure of demand to rapidly rise could open a window of opportunity for rival South Korean, American and German companies. In the interval before demand firms, next year at earliest, Samsung Co. of South Korea, Texas Instruments Inc. of the United States and Siemens AG of Germany could refine their technologies and become more formidable competitors. That could change the dynamics of the memory-chip business, making it less profitable for Japan.

"It buys everybody time. Everyone will be lined up together at the start-line," said Steve Myers, an analyst at Jardine Fleming Securities Ltd.

If technological differences are being narrowed, so too have the abilities of deep-pocketed Japanese companies to compete simply by slugging it out in the market.

Investor's Asia



Exchange	Index	Monday Close	Prev. Close	% Change
Hong Kong	Hang Seng	3,940.54	3,970.91	-0.76
Singapore	Straits Times	1,421.00	1,420.42	+0.04
Sydney	All Ordinaries	1,564.50	1,572.00	-0.48
Tokyo	Nikkei 225	22,573.98	22,692.60	-0.52
Kuala Lumpur	Composite	559.16	557.92	+0.22
Bangkok	SET	734.07	728.51	+0.76
Seoul	Composite Stock	689.25	681.90	+1.08
Taipei	Weighted Price	4,707.80	4,709.50	-0.04
Manila	Composite	958.75	1,003.22	-4.43
Jakarta	Stock Index	298.33	300.54	-0.74
New Zealand	NZSE-40	1,429.75	1,425.23	+0.32
Bombay	National Index	Closed	865.56	-

Sources: Reuters, AFP — International Herald Tribune

New Nomura Investigation Targets Link to Subsidiary

Compiled by Our Staff From Dispatches

TOKYO — Japan's Fair Trade Commission is investigating Nomura Securities Co. on suspicion of unfairly controlling shares of one of its subsidiaries, a commission spokesman said on Monday.

A Nomura spokesman confirmed a newspaper report that the company had exchanged memorandums with holders of 1.7 million shares in Nomura Land & Building Co. in which the shareholders agreed to get Nomura Securities' permission before selling their stock.

But the spokesman said the firm believed this did not violate a 1987 commission rule barring a financial institution from holding more than 5 percent of an affiliated company.

Nomura Land was established in 1957 to manage Nomura Securities' headquarters building. In the late 1960s, some of its shares were sold to Obayashi Corp., Sumitomo Life Insurance Co. and other companies with which Nomura Securities exchanged the memorandums, the Nomura Securities spokesman said.

A commission spokesman said the commission was also investigating Japan's other leading securities firms, Nikko Securities Co., Daiwa Securities Co. and Yamaichi Securities Co. *(Reuters, UPI)*

KABUKI: *Behind the Posturing*

(Continued from first finance page)

were not testimony, they were ceremony."

Chalmers Johnson, a professor of Japanese political economy at the University of California at San Diego, observed: "What this underscores is that this is not a securities industry scandal as much as a Finance Ministry scandal. In this case, the real administrative guidance was camouflaged. They're just playing grand Kabuki and pretending their dictates were violated."

Perhaps the key moment in understanding what happened came in June, at the annual meeting of Nomura Securities Co. The firm's president at the time, Yoshihisa Tabuchi, startled his own firm and the Finance Ministry by proclaiming somewhat angrily that the ministry had approved the payment of compensation.

Mr. Tabuchi later resigned, and Nomura tried to erase his outburst by calling the remark inappropriate. But most Japanese seemed to accept that Mr. Tabuchi's sin was candor.

Nobody would be questioning Japan's regulatory system, of course, if the ministry relied on laws rather than guidance. Japan has securities laws, many of them patterned after American statutes and written by the U.S. occupation forces after World War II. But they are rarely if ever invoked.

For instance, although a variety of penalties have been meted out for the improper compensation — from pay cuts and resignations to fines and suspensions — there has yet to be a formal charge of wrongdoing or an open legal process in which evidence was presented.

Some Japanese have justified relying on guidance by arguing that theirs is such a harmonious society and that bureaucratic dictates are so respected that the most efficient means of regulating the huge financial markets is not through cumbersome legislation and the courts, but with extra-legal commands.

Left unstated is the fact that when guidance is employed there is no check or counterbalance and no means of airing the dictates in public debate.

Japanese Lines Deny PAL Interest

Reuters

TOKYO — Japan Airlines Co. and All Nippon Airways Co. denied on Monday that they are planning to buy stakes in the state-owned Philippine Airlines when it is sold at auction later this year.

Spokesmen for the two Japanese carriers were denying a statement on Sunday by a PAL official that they were among four foreign airlines interested in the Philippine company. British Airways and Northwest Airlines were the other carriers named.

The auction will allow foreigners to take up half of the Philippine carrier's stock. The privatization of PAL had been planned for the last year, but its debt had deterred prospective buyers. The Philippine government assumed PAL's $520 million foreign debt earlier this month, and it now holds 80 percent of the carrier's stock.

Very briefly:

- **Taiwan's** central bank Monday relaxed the country's tight credit situation by slashing discount rates to 6.875 percent, effective Thursday, and required reserve rates for banks by 0.75 percentage point.
- **Thai Airways International** will buy six Airbus A-330 jets and has negotiated an option to buy another six.
- **Yaohan International**, a Japanese-controlled company, has opened its first department store in Shataukok, a special economic zone of China.
- **Ayala Corp.**, the Philippine real estate-based conglomerate, reported a 51 percent increase in net income, to 825.4 million pesos ($30.5 million), in the first half of 1991.
- **Pakistan's** government, jolted by a multimillion dollar banking swindle, has asked the State Bank of Pakistan, the central bank, to formulate a deposit insurance plan.
- **Malaysia** has decided to freeze expansion of palm oil refineries because of a huge surplus of refining capacity.
- **Commonwealth Bank**, the first major government asset in Australia to be sold, is expected to attract a significant premium to the 5.40 Australian dollars ($4.20) issue price when it begins trading on Thursday.
- **The Philippines** is offering **Alcorn International**, a Houston-based oil exploration company, a package of incentives to develop an oilfield that could initially meet up to 10 percent of the country's oil needs.
- **Ampolex Exploration Ltd.** said it has signed loan agreements and documents for a $220 million syndicated loan facility to fund its role in the $1.1 billion Kutubu oil project in Papua New Guinea.

Reuters, AFP

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For investment information read THE MONEY REPORT every Saturday in the IHT

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SPORTS

Raiders Fire Back At Run and Shoot

By Chris Dufresne
Los Angeles Times Service

LOS ANGELES — The message was as subtle as the gash over Roger Craig's right eye. The Los Angeles Raiders, taunted in two consecutive routs against trick offenses, would prove there was life beyond the run-and-shoot if it meant taking a body count afterward.

So, they stripped a game to its core, stacked an extra offensive lineman on the right side, all but

NFL ROUNDUP

shouted out upcoming run plays and pounded out a 16-13 victory Sunday over the Denver Broncos.

"When the league switches to the run-and-shoot, I'm gone," said defensive end Howie Long of the Raiders. "I'm checking out. Retirement. Immediately. I can't tell you what a nightmare it is."

Sunday, the Raiders turned the nightmare on someone else, although the game certainly wasn't decided on style points. Afterward, the teams counted stitches.

Raider tailback Craig, who was supposed to be eased into this full-time position, led the way with four stitches and a career-high 27 carries for 99 yards.

Craig ran into crowds. He ran into linebackers. Once, he ran into an opponent's elbow, which opened a cut over his right eye. But he kept his legs pumping like pistons.

Unlike wipeouts of recent past, the Raiders dictated the terms this time. An offense, no matter how explosive, can't score if it doesn't have the ball, so the Raiders refused to give up possession.

In the second quarter, trailing by 6-0, they employed an extra lineman on the right side, Reggie McElroy, pitched the ball to Craig nine times in one series, used up 6:48 and settled for a 29-yard field goal by Jeff Jaeger.

"It was just a lot of big folks up front, pushing and shoving," quarterback Jay Schroeder said, explaining the strategy.

The Raiders stuck with the game plan. Trailing by 6-3 at the half, they opened the third quarter with a 90-yard, 12-play drive that lasted 9:13. It ended with a 16-yard scoring pass to Willie Gault, putting the Raiders up, 10-6.

On their next possession, the Raiders drove 74 yards in 12 plays, using up 6:57. They used the pass only as changeup. On this series, a 47-yard pass from Schroeder to Gault, who made a beautiful over-the-shoulder catch, kept the drive moving. The Raiders sputtered near the end zone and settled for Jaeger's 23-yard field goal in the fourth quarter.

He kicked another field goal in the fourth to make it 16-6.

■ *In other games late Sunday, The Associated Press reported:*

Oilers 30, Bengals 7: The Oilers scored two touchdowns a minute apart on Warren Moon's pass and Lamar Lathon's interception return in Cincinnati.

Moon drove the Oilers 90 yards for a fourth-quarter touchdown, completing a 22-yard pass to Haywood Jeffries for a 20-7 lead. Sixty-one seconds later, Lathon returned a deflected pass 52 yards for a touchdown that clinched the Oilers' first victory in Riverfront Stadium in five games.

Houston had lost 10 of its last 11 in Cincinnati, with a 41-14 playoff rout last year.

49ers 34, Chargers 14: In San Francisco, Steve Young threw three touchdown passes, one a 70-yarder to Jerry Rice that broke the game open in the third quarter. Young threw for 348 yards, and Rice had nine receptions for 150 yards, with two scores.

The 70-yarder gave the 49ers a 24-14 lead with 1:49 gone in the quarter. Keith Henderson's 6-yard touchdown run late in the quarter made it 31-14.

John Taylor caught four passes for 42 yards and a touchdown.

Seahawks 20, Jets 13: Starting his first game in three seasons, Seattle's Jeff Kemp passed for two touchdowns in the third quarter in Seattle.

Subbing for the injured Dave Krieg, Kemp threw for 182 yards while the Seahawks' defense limited New York to two field goals until Troy Taylor completed a six-yard scoring pass to Rob Moore with 1:14 to play.

The Jets' quarterback, Ken O'Brien, left the game late in the fourth quarter with a twisted ankle after he was sacked by Rufus Porter.

Bills 52, Steelers 34: In his best game in the NFL, Jim Kelly threw six touchdowns passes during the rout of Pittsburgh in Buffalo.

Don Beebe caught four of the scoring passes as Buffalo achieved its second-highest point total ever.

Saints 17, Chiefs 10: Bobby Hebert threw two touchdown passes in the first half as the visiting Saints held Kansas City to one first down to win consecutive games at the start of the season for the first time in their 25-year history.

In the second half, New Orleans managed just two first downs, but held on for the victory with the help of a couple of big defensive plays.

The Chiefs seemed set to tie when Neil Smith sacked Hebert and Derrick Thomas recovered at the Saints' 27. But Reggie Jones intercepted a pass by Steve DeBerg at his 21.

Lions 23, Packers 14: Rodney Peete completed 25 of a career-high 38 passes for 271 yards, and Detroit beat visiting Green Bay in Barry Sanders's return to the lineup. Sanders, who missed the Lions' opener with a rib injury, gained 42 yards but scored Detroit's first touchdown.

Bears 21, Bucs 20: Jim Harbaugh threw two touchdown passes and the visiting Bears sacked Vinny Testaverde six times, continuing their mastery of the Buccaneers. Chicago has won 15 of the last 17 meetings between the clubs.

Cardinals 26, Eagles 10: Tom Tupa got the better of the battle of backups in Philadelphia. Tupa, replacing the injured Timm Rosenbach, completed 6 of 19 passes, but one was a 51-yard scoring throw to Johnny Johnson in the first quarter that gave Phoenix a 10-0 lead.

Jim McMahon, playing for the injured Randall Cunningham, completed 19 of 34 passes for 173 yards.

Lee Celano/Reuters

Roger Craig of the Raiders found the going slow between the Broncos' Greg Kragen, left, and Steve Atwater. Craig needed four stitches after the game, but still emerged with 99 yards on 27 carries.

NFL Meeting Thursday To Decide WLAF Fate

By Sandra Bailey
International Herald Tribune

PARIS — National Football League owners, uncertain what to do with the World League of American Football next season, "have looked at every possible scenario from adding a dozen teams to suspending the league for a year" and could decide on either extreme or something in between when they meet Thursday in Dallas, a WLAF official confirmed Monday.

"There is no business in existence that you don't sit down after the first year and review," said Bob Rose, director of communications for the WLAF, in a telephone interview from his New York office.

And what a first year it was for the 10-team WLAF, from the surprising success of its European franchises — in London, Barcelona and Frankfurt — to the dismal reception by television viewers in the United States. Television ratings on ABC and USA Cable "did not reach the average anticipated and what the networks sold their ads based on," Rose said.

In fact, the U.S. television ratings for WLAF games were under 1 point, which accounts for about 921,000 homes. The spring games' ratings were about 0.9, Rose said; in comparison, Jimmy Connors and Aaron Krickstein got ratings of 7.7 for their fourth-round U.S. Open tennis match.

It all added up to the league's failure to make money. Rose, saying he did not like to talk numbers, would not confirm reports that the WLAF lost nearly $7 million.

He did say that there were "lots of one-time costs," particularly in bringing American-style football to Europe. "Let's just say if we made money, we'd say," he said.

Bruce Dworshak, the league's European coordinator, added, "We'd be turning cartwheels."

Instead, there is speculation whether there will be a next year for the league, which lost its president after one season, when Mike Lynn said he was too closely tied to business with the Minnesota Vikings to remain head of the spring league. In addition, one of the 10 teams, North Carolina's Raleigh-Durham entry, ended last spring with the announcement that it was doing so poorly it might not return.

It was in Europe where the league made inroads, if not money. In Spain and Germany crowds averaged more than 30,000 and it was closer to 40,000 in England. The enthusiasm was almost palpable at games, as crowds danced and did the wave, even though the level of play on the field rarely merited the response.

That, what Rose referred to as "product concern," is something the league recognizes it needs to address if it is to survive, and something that undoubtedly cost it television viewers in the United States.

Rose said the WLAF would like NFL owners to consider the possibility of requiring backup players, particularly quarterbacks, to compete in the spring league. That would provide name recognition and rooting interest in the States and could help the backups with real game experience.

Of course, whether the owners of the 26 NFL teams, who in turn own the WLAF, want to risk injury to players like Troy Taylor of the New York Jets or Todd Marinovich of the Los Angeles Raiders is another story.

As for the possibility of expansion, something Dworshak and others in the league talked much about in the late spring and early summer as the London Monarchs won the World Bowl and filled Wembley Stadium, "it is still being considered," Rose and Dworshak said. But, said Rose, "it's a question of whether it will happen in 1992."

And if there will be a '92.

"I'm certainly not an oddsmaker," said Rose, "but if I was, we feel we have every reason to be optimistic we will continue."

'Mother of Battles' To Pay Off Better In Iraq This Time

Reuters

BAGHDAD — One of Saddam Hussein's favorite phrases, the "mother of all battles," has been revived but applied this time to a national soccer tournament.

"Four teams are currently competing in the Umm al-Ma'arek" — the mother of all battles — "tournament which began last Monday," the Iraqi News Agency said, adding that the air force team was among the finalists.

Saddam has ordered cash prizes for the four semifinalists, ranging from 150,000 dinars ($465,000) for the winners to 20,000 dinars for fourth place, INA said.

Before the Gulf War began in January, Saddam repeatedly said it would be the "mother of all battles." The air force never fought, and the ground war lasted 100 hours.

● Red Star Belgrade will play Colo Colo of Chile on Dec. 8 in the Toyota Cup match pitting the European against the South American champion, The Associated Press reported from Tokyo.

The Toyota Cup will be played in the 60,000-seat National Stadium in Tokyo and telecast to 100 countries, organizers said Monday. *(AP)*

San Diego State's 30-Point Quarter Starts Allen's Successor With a Loss

The Associated Press

SAN DIEGO — San Diego State matched a school record with 30 points in the third quarter to beat Long Beach State, 49-13, spoiling the debut of Willie Brown as the 49ers' coach.

Brown, who took over after George Allen died, saw his team trailing by 13-7 before San Diego State (1-0) scored four times in a 53-second span. T.C. Wright, whose 78-yard punt return set up a first-quarter field goal, started the burst with a four-yard scoring run for a 20-7 lead.

On the 49ers' first play from scrimmage, Robert Griffin caught a short pass but fumbled. Damon Pieri picked up the loose ball and ran 26 yards for a touchdown. The Aztecs added a safety on the kickoff when Mark Seay stepped on the goal line, then retreated into his end zone.

Wright returned the free kick 31 yards to the 49ers' 33, and two plays later, Curtis Butts scored from the 5 for a 36-7 lead 4:08 into the third quarter. Marshall Faulk added a one-yard scoring run with 10:14 elapsed to complete the 30-point quarter, matching a school mark.

The Aztecs' Patrick Rowe, who set a Division I-A record last season with at least 100 yards receiving in nine straight games, failed to extend his streak. Limited by a strained shoulder, he had two catches for 29 yards.

CHESS

By Robert Byrne

A BARRIER fell in the 1991 World Microcomputer Championship in Vancouver, British Columbia. After a chess machine called Chess Machine won with a score of 6-1 in the seven-round Swiss-system tournament, the manufacturer, TASC BV, of Rotterdam, the Netherlands, has put it on sale for $750. The previous champion, Mephisto, is in the $10,000 price range.

Chess Machine, which runs on a card that plugs into a standard slot in an I.B.M.-compatible personal computer, is for those who are curious to cross swords with the best, or for top tournament players who need a tiger of a practice partner that can also be used for research.

At the end of the event, Chess Machine played a four-game match to a tie with Mephisto, which had finished tied for third. This may have solidified its championship result, but did not let it demonstrate its superiority.

In the second round of the 15-computer tournament, Chess Machine won from Cumulus with good opening preparation and an accurately played mating attack.

The Bird Defense to the Ruy Lopez has the advantage of leading into pawn formations that are quite unlike anything else in this opening. After 4 Nd4 ed, Black's plan is to use his d4 pawn to block White's normal advance in the center.

Although this defense is basically sound, the version that Cumulus used, 5...Be5, 6...c6 and 7...Ne7, has run into difficulties recently. For example, in the Gata Kamsky-Vasily Ivanchuk game in Tilburg, the Netherlands, last year, White got a great advantage after 8 f4 f5 9 Bb3 d5 10 ed Nd5 11 Re1 Kf8 12 Qh5 g6 13 Qh6 Kg8 14 Nd2 Bf8 15 Qh3 Bg7 16 Nf3 h6 17 Ne5 Qf6 18 Bd5 cd 19 b3.

Cumulus's 8...d5 allowed Chess Machine to follow Boris Spassky's attacking plan with 9 f5! The former world champion's point is that White will constrict Black's development and use his preponderance of space on the kingside to create an attack. Never mind that White gets a backward e4 pawn after 9...de 10 de — Black does not have the scope to exploit it.

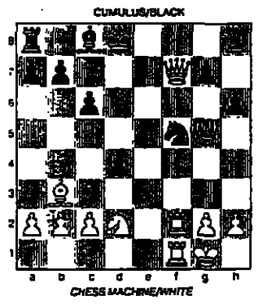
With 10...Bd6 11 Bg5 h6 (11...f6 12 Qh5 g6 13 fg wins for White) 12 Bh4 Qa5 13 Bb3 Qe5 14 Bg3 Qf6 15 Bd6 Qd6 16 Qh5 Qf6 (16...O-O 17 f6! yields White a winning attack) Cumulus tried to blockade the e4 pawn, but Chess Machine broke through with 17 e5!

Defense with 19...Qf6 would put Black into a bad endgame after 20 Qf6 gf 21 Be6, threatening 22 Nb3 to win a pawn and if 21...c5, then 22 Ne4 wins a pawn. So Cumulus took the dangerous course of winning a pawn with 19...Qe3 20 Rf2 Nf5.

On 21 Raf1, Cumulus should have played 21...b5 to prevent 22 Nc4!, when there could have followed 22 g4 Nd6 23 Qg7 Re8, with Black holding on grimly. Instead, there came the blunder, 21...Qg5? and Chess Machine sparked a winning attack with 22 Rf5! Bf5 23 Rf5, the point being that 23...Qd2? permits 24 Be6! with a mating net.

There was no defense after 29 Rf7, but computers don't know when to give up, so Cumulus went right on to 33 Qb7 mate.

CUMULUS/BLACK



CHESS MACHINE/WHITE

Position after 21 . . . Qg5

RUY LOPEZ

White Machine	Black Cumulus	White Machine	Black Cumulus
1 e4	e5	18 Qf7	Kd8
2 Nf3	Nc6	19 Nd2	Qe3
3 Bb5	Nd4	20 Rf3	Nf5
4 Nd4	ed	21 Raf1	Ng3
5 O-O	Be5	22 Rf5	Be6
6 c3	c6	23 Rf3	Qe3
7 Be4	Ne7	24 Rf2	Nf5
8 f4	d5	25 Nc4	Qe1
9 f5	Be6	26 Qg8	Kd7
10 de	Bd6	27 Rf1	Qg4
11 Bg5	h6	28 Qe8	Ke6
12 Bh4	Qa5	29 Qe7	Ke5
13 Bb3	Qe5	30 Qe1	Re8
14 Bg3	Qf6	31 Qe7	Re7
15 Bd6	Qd6	32 Qd7	Kf6
16 Qh5	Qf6	33 Qb7 and mate	
17 0	Qe5		

BOOKS

FAR FROM HOME: Life and Loss in Two American Towns

By Ron Powers. 317 pages. $22. Random House Inc., 201 East 50th Street, New York, N.Y. 10022.

Reviewed by
Andrew H. Malcolm

THIS is a very interesting book about the hollowing out of America's towns, the social soul much revered in the nation's history and in the memory of people who no longer must try to earn a living in them.

The social reality remains much the same as ever in these manageable communities, which named their streets for trees instead of numbers. Residents generally behave sanely and civilly in public, according to a detailed but unwritten code of conduct powerfully enforced by the simple fact that virtually everyone on the street knows everyone else.

Economically, however, the story on Main and Elm streets these days is more often one of decay and despair. While the country's urban areas continue their social and criminal convulsions in the omnivorous glare of television cameras, the crumbling of the less-populated communities has continued, largely unnoticed by urban society.

Historically, Jeffersonian small-town America has been an underground reservoir of values for the larger nation, sending out its foods, its ambitious youths, its family values and fad-free common sense attitudes to steady the larger nation.

The underlying and ominous warning of Ron Powers, a Pulitzer Prize-winning television critic and television commentator, is that this invisible reservoir of values is being rapidly fouled and sucked dry by a larger society that may soon find nothing of value coming up the straw.

Powers has chosen to focus on two communities — Cairo at the bypass bottom of Illinois, and Kent, Connecticut, the unwitting victim of urban creep. One community is suffering the pains of development, the other is enduring the lack of it, thanks to a leadership clan perversely opposed to growth.

Sitting so far from anything of modern economic import except the adjacent Ohio and Mississippi Rivers, Cairo is enduring a crisis of poverty, economically and spiritually. Kent, caught in the oily orb of New York's metropolitan mass, is enduring a crisis of affluence.

Thousands of dual-income New York couples are fleeing urban chaos to seek weekend peace, investment profit and a relaxing tax-shelter in an idealized small town. Unfortunately, though not surprisingly, the sheer number of these domestic refugees start changing the town the very moment of their arrival.

While few people with any money are moving into Cairo, few old timers in Kent have enough dollars to sustain life and their property taxes in the upward spiral of a hot town's boom.

Powers is well qualified to examine these problems, having grown up in Hannibal, Missouri, lived and worked in Chicago and New York and, as it happens, having himself been a weekend resident of Kent.

Andrew H. Malcolm is on the staff of The New York Times.

PEANUTS

BEETLE BAILEY

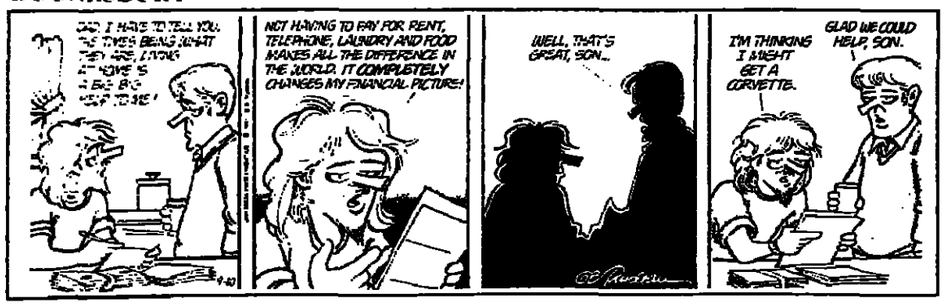
CALVIN AND HOBBES

WIZARD of ID

REX MORGAN

GARFIELD

DOONESBURY



DENNIS THE MENACE

"REMEMBER, JOEY, FIBBING CAN GET YOU IN A LOT OF TROUBLE...IF IT'S NOT DONE JUST RIGHT."

JUMBLE THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

SUJOT

RUCRY

ZEMENY

BENZAR

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: A ○○○○ TO HER ○○○○

(Answers tomorrow)

Yesterday's Jumbles: AORTA POKED JINGLE DIGEST
Answer: That crouton spreads good cheer wherever . . . HE DOESN'T GO

SPORTS

For Men's Tennis, Stardust Memories and Perhaps a Ray of Hope

By Tony Kornheiser
Washington Post Service

NEW YORK — Jimmy Connors's nostalgic cruise to the semifinals at 39 was good news for the U.S. Open because it reminded people how much fun a sentimental journey can be. But it was bad news for men's tennis.

The U.S. Open is the second most important title in the sport, and if your biggest star and your most compelling attraction is an antique who needs to be hooked up to an I.V. for an electrolyte transfusion after a five-setter, you've got serious trouble in River City.

Vantage Point

All sports need dynasties.

But Connors was born in the Ming.

You want to talk about The Anticlimax From Hell, how about Edberg-Courier? The stands were full, but the juice was gone. It was like, instead of handing out complimentary sun visors at the gate, they handed out sedatives. By the middle of the third set you could have fired a cannon into the stands and not awakened everybody. Thank goodness the match was so brief. No knock on either player, but only Broadway Danny Rose would follow a glitzy act like Jimbo's with a seal and a ball.

The problem with men's tennis is that it hasn't developed a true star lately. Jimbo and McEnroe are still top bananas, and in dog years they're 497. Unlike the women's tour, where talent and candlepower are concentrated in a select, intriguing few (Navratilova, Seles, Graf, Capriati and Sabatini), the men's tour is closer to parity and further from celebrity.

TAKE THE GRAND SLAM tournaments: Seles has won four of the last eight among the women. On the men's side, there were seven different winners in a row before Edberg's triumph here. That's not necessarily what fans want. They want some sort of behemoth, an 800-pound canary that many can root for, and — equally important — many can root against. Why do you think the Yankees were so intrinsic to the growth of baseball?

Ivan Lendl never really filled the bill. He's a baseliner (Bo-rimmgg!), and for years he was painted as robotic and standoffish, but he wasn't enough of a villain to excite the masses. Boris Becker looked like he had the Whole Hero Package: He was big and strong and engaging. But when you got him off the grass at Wimbledon, he was patchy. And lately he's taken to playing Hamlet, talking about retiring. Andre Agassi is a work in progress. He's got star quality all right, but too often he's been the Tin Man of the Grand Slams — no heart.

True stars are hard to come by. To be a true star requires more than just a desperate CBS promo hailing "up and coming American superstar Jim Courier." Courier is simply not a superstar yet, by any stretch of the imagination. Most people hear the word "Courier," and think delivery service. All they know about this guy is that he wears a baseball cap.

A true star is a combination of personality, talent and intrigue. Jimbo and McEnroe had it all. Borg was short on personality, but long on mystery. Edberg is indisputably the No. 1 player in men's tennis. He's as handsome as a racehorse, as quick as an alley cat, and as graceful as a swan. But he has the personality of a potato. He's a Volvo in a sport that needs a Miata.

Last year he was knocked out of here in the first round, adding to a long string of early exits from the Open, a tournament he never found comfortable — too crowded, too noisy and too much of a hassle. Last week, when he was asked to explain why he'd done so much better, Edberg said one of the reasons was because the jets no longer fly directly overhead in and out of LaGuardia. Well, they didn't last year either, but Edberg wasn't around long enough to notice.

EDBERG IS a great player; the way he played against Courier, Rod Laver couldn't have beaten him. Edberg was pitching like Sandy Koufax. But because he works so hard to keep his emotions deep inside, Edberg doesn't cut a passionate figure, and crowds appreciate his artistry more than they yearn for his soul. He doesn't have the common touch. Nor does he seem to burn to win. Just a few years ago, when he was beaten in the fourth round at Wimbledon, he shrugged it off and said, "There's another tournament next week." It's inconceivable Connors, McEnroe or Borg would have said that.

You have to want to be a star. Edberg doesn't. This is no crime. But let's acknowledge there's a significant difference between being a great player and a great star. Stardom isn't for everybody. After winning the French in 1990, Michael Chang said he felt like he was carrying around "a bag of bricks." After losing earlier this week to Courier, and officially shedding the designation of "reigning U.S. Open champion," Pete Sampras said he was relieved to "get the monkey off my back." We all saw Mats Wilander in our rearview mirror, running away as fast as possible.

Courier is the one young American on the horizon who'll fly like a moth to the dangerous flame. He has some nasty in him, and fans like that. He lists Jimbo as his role model, and we've been standing on line to see that movie for years. "There's no doubt that I have emulated Jimmy's guts, or tried — I mean, nobody can match his guts out there," Courier said. "But that is my goal, to be known to never be out of a tennis match, and just to be a gutsy competitor out there. And Jimmy is, you know, The One."

Courier didn't leave his blood and guts on the court a la Jimbo against Edberg; he didn't have time. Plus, he's too close to the baseline to get within true blood-and-guts range. But he's only 21, and this year he won the French, and made the final of the U.S. Open. He's obviously got the burn and the big power. If he gets the volley, maybe Jimbo and McEnroe can finally take a month off.

Tim Clary, Agence France-Presse

The unemotional Edberg: Like kissing your sister.

Having Risen in East, Blue Jays Aim To Avoid Sinking Slowly in the West

The Associated Press

The Toronto Blue Jays are going West in hopes of winning the American League East.

The Blue Jays, in their final game this season against a team from their division, clubbed Cleveland, 11-5, Sunday to open a 5½-game lead.

Because the Blue Jays are this year's swing team, they will spend the rest of the season facing only AL West competition. Their last 23 games will be against Minnesota, Oakland, Seattle and California.

"I feel that's an advantage," Toronto's Joe Carter said. "Not having head-to-head competition is to our advantage, because they're chasing us."

Boston is second, 5½ games behind, and Detroit is six games back.

In a season in which the AL West has dominated the AL East, the Blue Jays are 33-28 outside their division.

Kelly Gruber homered and drove in five runs as Toronto completed a four-game sweep in Cleveland in which the Blue Jays outscored the Indians, 35-11.

Gruber, who hit his 100th major league career home run on Saturday, has four homers and 12 RBIs in his last seven games. "I'd like to stay here and play the rest of the season," Gruber said.

AMERICAN LEAGUE

Athletics 7, Tigers 4: Dave Stewart won for the fifth time in 13 starts since the All-Star break despite giving up Cecil Fielder's 39th home run in Tiger Stadium.

Stewart allowed four runs on seven hits in seven innings and Dennis Eckersley got his 39th save as Detroit lost for the fourth time in five games.

Fielder, who last year hit his 40th homer off Stewart, connected for a two-run shot in the first inning. He leads the majors in home runs with two more than Jose Canseco.

Twins 6, Yankees 5: Scott Erickson struggled but still became the AL's first 18-game winner, helping Minnesota complete a three-game sweep in the Metrodome.

Erickson gave up four runs on eight hits and three walks in six innings. He is 5-4 with a 6.94 ERA since coming off the disabled list July 15 because of a strained elbow.

Pedro Munoz, recalled from the minors on Saturday, got the game-winning hit for the second straight day. Munoz hit a three-run homer in the sixth off Jeff Johnson.

Rangers 7, White Sox 6: Pinch-hitter Monty Farris lined a three-run double with two outs in the bottom of the ninth inning for his first major league hit, completing a four-run rally against Bobby Thigpen in Arlington, Texas.

Chicago, trying for its first series sweep in Texas since July 1979, lost when Thigpen gave up Ruben Sierra's RBI single, hit Juan Gonzalez with a pitch to load the bases and surrendered Farris's double.

Angels 1, Brewers 0: Jim Abbott won his seventh consecutive decision and Gary Gaetti doubled home the only run as California swept visiting Milwaukee.

The Angels climbed out of the AL West cellar for the first time since Aug. 3.

The only run Abbott needed was unearned. In the sixth, Wally Joyner singled off Dan Plesac, took second on Rick Dempsey's passed ball and scored one out later on Gaetti's double.

Royals 3, Orioles 2: Jim Eisenreich hit a tie-breaking sacrifice fly in the ninth inning and Kansas City, again led by Danny Tartabull, won in Baltimore.

George Brett led off the ninth with a single and Tartabull doubled against Todd Frohwirth before Eisenreich's fly off Mike Flanagan.

Stage Is Set in Atlanta For Dodgers and Braves

The Associated Press

It looks as though the Dodgers and Braves are headed for a showdown in Atlanta this weekend.

Last weekend could have been critical, but Los Angeles took three of four games in Pittsburgh and Atlanta swept a three-game series in New York's Shea Stadium. The Dodgers, therefore, still have a half-game lead in the West.

"This definitely was a big lift to us, especially the way we've played on the road in the second half," winning pitcher Mike Morgan said Sunday after beating the Pirates, 5-1. "We came into Pittsburgh and won three of four from a great team that has the best record in baseball. You have to be pleased with that."

NATIONAL LEAGUE

The Braves rallied from a 4-0 first-inning deficit with Tom Glavine on the mound to beat the Mets, 7-5. Dave Justice and rookie Brian Harper hit home runs.

"That's the way it's been all year," said Glavine, who improved to 18-9.

Morgan won for the first time in a month and pinch-hitter Kal Daniels had a three-run double for the Dodgers in Three Rivers Stadium.

The Pirates were held to two runs in the final two games of the series, with Morgan giving up eight hits, striking out eight and walking one in 6⅓ innings.

The Dodgers, now 3-1 on an 11-game, 10-day road trip that winds up in Atlanta, took a 1-0 lead in the first on Darryl Strawberry's single off Bob Walk.

Before a soldout three-game series in Atlanta, the Dodgers play two games in Cincinnati and two more in Houston. The Braves returned home Monday for two games against San Francisco, then two with San Diego.

"We've bounced back all year," said their manager, Bobby Cox. "We're dangerous. Sometimes we bounce back and don't win, but at least we bounce back."

Expos 4, Reds 2: Chris Sabo hit into a game-ending triple play as Montreal swept Cincinnati in the three games in Olympic Stadium.

Hal Morris led off the ninth with a single and Fassero then walked pinch-hitter Eric Davis. Jones relieved and Sabo hit a grounder to third baseman Bret Barberie, who started a 5-4-3 triple play.

Giants 4, Cubs 3: Pinch-hitter Kevin Bass tripled off Greg Maddux with the bases loaded in the seventh inning and scored on Mike Felder's suicide squeeze as San Francisco won in Wrigley Field to end a six-game losing streak.

Phillies 5, Astros 0: Terry Mulholland pitched a three-hitter as Philadelphia won in Houston.

Carol Newsom/Agence France-Presse

Courier's racket marked the spot where he claimed one of Edberg's shots landed, but there was no arguing with the end result.

Open Season for Edberg

By Robin Finn
New York Times Service

NEW YORK — Stefan Edberg, all flawless finesse in the pursuit of his first U.S. Open championship, was the player who did all the pouncing in a high-stakes game of cat and mouse with French Open champion Jim Courier in a lopsided final beneath a pastel haze on the Stadium Court at the National Tennis Center.

In what he called the best match he ever played, Edberg on Sunday won his fifth Grand Slam title in eight Grand Slam finals.

Edberg, who only this year learned to like the one Grand Slam where he'd been unable to reach the final round, rendered the fourth-seeded Courier almost insignificant with a 6-2, 6-4, 6-0 thrashing.

"I've been pummeled before," said the humbled Floridian, who had won all four other finals he reached in 1991, "but this is the worst beating I've taken this year. He was making my shots look like I don't know what."

Not the type to crave omnipotence, Edberg couldn't help feeling that way after the 2-hour, 2-minute display that vindicated his first-round loss in New York last year, a loss that stung all the more because he had just achieved the No. 1 ranking for the first time.

The second-seeded Edberg, who regained the No. 1 ranking last week after losing it to Boris Becker at Wimbledon, performed like a world-beater this time around, and became just the second player in the Open's history to answer a first-round loss with a championship one year later.

"It's pretty hard to believe," he said of his subjugation of the normally tenacious Courier. "It was almost like a dream. I felt like I could do anything out there."

Courier, who wavered between amazement over his opponent's play and desperation at his own, admitted he felt as if he could do nothing in the finale of an event where he had not yet surrendered a set.

> **'He was making my shots look like I don't know what.'**
> **Jim Courier**

"I was trying pretty much everything that I could — tried to mix up the pace a little, tried to serve-and-volley a few times — but everytime I gave him an opening, he was on top of the net," said Courier.

Edberg asserted himself from the beginning of the match. He was fluent and fluid from the baseline, where his kick serve soared across the net and surged out of Courier's control, and at the net, where his volleying hand was steady.

Numbed into submission, Courier never recovered. His power game seemed little more than a one-dimensional bluff in the face of Edberg's elegant pastiche of lobs, topspin passes and serves that kicked up like a chorus line.

"I couldn't get a reading on where he was going with it," said Courier, who ultimately reverted to "trying to get out of the way of it sometimes, just to get it back in play." But as soon as Courier would do that, Edberg would put the point to bed with a cutting and cursory volley winner, a shot he used 18 times, a shot Courier was bold enough to connect on just once.

Courier's serve posed no threat to the 25-year-old Swede, who pasted his returns into obscure corners and provided himself with idyllic launching pads for his untouchable volleys. While Courier scrambled around the court and fumbled for an answer to Edberg's calm but commanding strategy, the first set got away from him. He was no luckier in the second, and seemed to be a nonentity in the third.

Courier, who had dropped his serve just seven times in six previous matches but lost it six times Sunday, first betrayed his vulnerability in the third game of the match.

He got off to a sobering 0-40 start, worked through four break points but couldn't keep up with Edberg's searing crosscourt forehand to save the fifth, and dumped a forehand into the net to fall behind, 2-1. After Edberg used a service winner to cancel one of just three break points Courier mustered in the match, he closed in again on Courier's serve in the seventh game and went up, 5-2, by backing Courier into a corner with a forehand volley.

Edberg claimed the next game and the first set at love, alone at net with an entire court awaiting his placement of a volley winner. Courier, who might have worn a dunce cap instead of his trademark baseball cap considering the number of times he was sent into a corner, was literally not available to chase it.

Courier got off to another rocky start in the second set, and although he recovered from a 0-40 deficit in his opening service game, Edberg once again treated him more like a receptacle than a receiver by blazing through his own service games and providing ready assistance when Courier self-destructed in the third game.

Two double faults put the 21-year-old basliner on the precipice at 15-40, and Edberg polished off the game with a double dose of curt volleys, first a forehand cross that Courier blocked back, then a backhand cross that Courier didn't even bother to contest. That was the only break Edberg needed against his already broken-down opponent, and he served out the set with a flourish, crackling an ace down the middle.

The final set was little more than a footnote. The last point was emblematic of the way Courier left himself at Edberg's untender mercies Sunday: Courier's half-hearted service return smacked the tape, wafted gently onto Edberg's waiting racket and was whistled back past him, another winner down the line and, like the match, out of his grasp for good.

SIDELINES

Epson Drops Backing Of European Pro Golf

LONDON (AFP) — Epson, the computer company that last year announced a $10 million, three-year extension of its sponsorship of golf's Grand Prix of Europe, said Monday it was pulling out of the sport after next week's tournament because of "extremely harsh trading conditions" in Britain and Europe.

● Nick Price of Zimbabwe, with five straight birdies on the back nine, won the Canadian Open on Sunday in Oakville, Ontario, with a six-under-par 68; David Edwards finished eagle-birdie-birdie and one stroke back. *(Reuters)*

For the Record

Yugoslav basketball teams in this season's European competitions must play all their preliminary matches outside Yugoslavia because of the fighting there, FIBA ruled Monday in Munich. *(Reuters)*

The Alpenliga, Europe's first multinational ice hockey league, with 3 teams from Slovenia, 7 from Austria and 10 from Italy, begins play Tuesday night; officials said safety has been guaranteed in Yugoslavia's northernmost province. *(UPI)*

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

East Division	W	L	Pct.	GB
Toronto	79	60	.568	—
Boston	72	64	.529	5½
Detroit	72	65	.526	6
Milwaukee	65	71	.478	12½
New York	60	75	.444	17
Baltimore	55	81	.404	22½
Cleveland	44	92	.324	33½
West Division				
Minnesota	83	54	.606	—
Chicago	75	63	.543	8½
Oakland	74	64	.536	9½
Texas	71	64	.526	11
Kansas City	70	66	.515	12½
California	68	68	.500	14½
Seattle	68	69	.496	15

NATIONAL LEAGUE

East Division	W	L	Pct.	GB
Pittsburgh	81	55	.596	—
St. Louis	71	64	.526	9½
Chicago	68	68	.500	13
New York	65	71	.478	16
Philadelphia	65	71	.478	16
Montreal	58	77	.430	22½
West Division				
Los Angeles	77	60	.562	—
Atlanta	76	60	.559	½
San Diego	69	68	.504	8
Cincinnati	66	70	.485	10½
San Francisco	63	73	.463	13½
Houston	57	79	.419	19½

Sunday's Line Scores

AMERICAN LEAGUE

Seattle	000 210 102	6	9 2
Boston	207 003 00x	12	17 0

DeLucia, Swan (3), M. Jackson (5), Murphy (6), Schooler (6), Swift (8) and Valle, Bradley (5); Gardiner, Plympton (7), Dopson (9) and Marzano. W—Gardiner, 7-7. L—DeLucia, 11-10. HR—Boston, Plantier (4).

Toronto	403 000 040	11	14 1
Cleveland	000 000 041	5	10 2

Wells, Acker (8) and Myers, Knorr (9); King, Nichols (3), Seanez (8), Olin (9) and Skinner. W-Wells, 14-10. L—King, 5-10. HR—Toronto, Gruber (18).

Oakland	010 410 001	7	11 1
Detroit	200 020 000	4	8 1

Stewart, Nelson (8), Eckersley (9) and Steinbach; Gullickson, Haas (5), Kaiser (9) and Tettleton, Allanson (9). W—Stewart, 11-8. L—Gullickson, 17-8. Sv—Eckersley (39). HRs—Oakland, Baines (19). Detroit, Fielder (39).

Kansas City	000 000 201	3	8 1
Baltimore	101 000 000	2	10 0

Appier, Johnston (7), Montgomery (9) and Mayne, Spehr (9); McDonald, Frohwirth (8), Flanagan (9) and Melvin. W—Johnston, 1-0. L—Frohwirth, 5-3. Sv—Montgomery (27).

New York	020 110 001	5	10 1
Minnesota	020 003 01x	6	12 1

Johnson, Cadaret (6), Monteleone (8) and Nokes; Erickson, Guthrie (7), Bedrosian (9) and Ortiz. Webster (7). W—Erickson, 18-6. L—Johnson, 5-10. Sv—Bedrosian (6). HRs—New York, Nokes (23), Sheridan (4). Minnesota, Mack (18), Munoz (4).

Chicago	000 200 120	4	8 1
Texas	000 010 204	7	6 0

McDowell, Radinsky (7), Thigpen (8) and Karkovice; Brown, Je. Russell (9) and Rodriguez. W—Je. Russell, 4-4. L—Thigpen, 7-5. HR—Chicago, Sosa (10).

Milwaukee	000 000 000	0	6 3
California	000 001 00x	1	8 1

Plesac, Crim (7), Lee (7), Machado (8) and Demosey; J. Abbott, Eichhorn (7), Harvey (9) and Parrish. W—J. Abbott, 16-8. L—Plesac, 7-6. Sv—Harvey (37).

NATIONAL LEAGUE

Cincinnati	020 000 000	2	7 1
Montreal	310 000 00x	4	11 0

Armstrong, Charlton (7), Dibble (8) and Reed; De. Martinez, Rojas (8), Fassero (9), B. Jones (9) and Santovenia. W—De. Martinez, 12-9. L—Armstrong, 6-11. Sv—B. Jones (11). HR—Cincinnati, Reed (3).

Los Angeles	100 001 030	5	10 0
Pittsburgh	000 100 000	1	9 0

Morgan, Wilson (7), Crews (9) and Sciascia; Walk, Patterson (6), Mason (8), Heaton (9) and LaValliere, Prince (8). W—Morgan, 11-9. L—Patterson, 3-2.

Atlanta	001 002 012	7	13 0
New York	400 000 001	5	7 0

Glavine, Stanton (9), Pena (9) and Olson; Young, Simons (6), Burke (8), Franco (8) and Hundley, Cerone (9). W—Glavine, 18-9. L—Franco, 4-8. Sv—Pena (6). HRs—Atlanta, Justice (16), Hunter (12).

Philadelphia	100 101 200	5	14 0
Houston	000 000 000	0	3 0

Mulholland and Lake; Bowen, Schilling (6), Corsi (7), Henry (9) and Biggio. W—Mulholland, 14-11. L—Bowen, 4-3.

San Francisco	000 000 400	4	6 0
Chicago	002 100 000	3	9 1

Wilson, Brantley (7), Righetti (8) and Manwaring, Decker (7); Maddux, McElroy (7), Lancaster (8), Assenmacher (9) and Villanueva, Wilkins (7). W—Wilson, 10-9. L—Maddux, 11-10. Sv—Righetti (21). HR—Chicago, Dunston (11).

Japanese Baseball

Central League

	W	L	T	Pct.	GB
Chunichi	61	45	1	.575	—
Hiroshima	57	43	1	.569	1
Yomiuri	61	54	0	.530	4½
Yakult	57	51	1	.528	5
Taiyo	50	60	1	.455	12
Hanshin	36	69	0	.343	24½

Pacific League

	W	L	T	Pct.	GB
Seibu	68	38	4	.636	—
Kintetsu	69	42	2	.620	1½
Orix	55	55	3	.500	15
Nippon Ham	48	59	4	.451	20½
Daiei	47	59	2	.444	21
Lotte	36	70	1	.341	32

Monday's Game
Daiei 13, Orix 1

Sunday's Results
Chicago 21, Tampa Bay 20
Cleveland 28, New England 0
Detroit 23, Green Bay 14
Miami 17, Indianapolis 6
Los Angeles Rams 19, New York Giants 13
Minnesota 28, Atlanta 19
New Orleans 12, Kansas City 10
Phoenix 26, Philadelphia 10
Buffalo 52, Pittsburgh 34
San Francisco 34, San Diego 14
Los Angeles Raiders 16, Denver 13
Seattle 20, New York Jets 13
Houston 30, Cincinnati 7
Monday's Game
Washington at Dallas

CFL Standings

Eastern Division

	W	L	T	PF	PA	Pts
Toronto	7	3	0	395	300	14
Winnipeg	6	4	0	283	287	12
Ottawa	4	6	0	286	308	8
Hamilton	1	9	0	197	338	2
Western Division						
Calgary	7	3	0	347	313	14
Brit Clmb	6	4	0	362	348	12
Edmonton	6	4	0	418	331	12
Saskatchwn	3	7	0	362	414	6

Sunday's Results
British Columbia 56, Ottawa 29
Winnipeg 49, Saskatchewan 41, OT

The Top 25 College Teams

The top 25 teams in The Associated Press poll, with first-place votes in parentheses, records through Sept. 7, total points based on 25 for a first-place vote through one for a 25th-place vote, and preseason ranking:

	Record	Pts	Pvs
1. Florida St. (53)	2-0-0	1,497	1
2. Miami (2)	1-0-0	1,344	3
3. Michigan (1)	1-0-0	1,339	2
4. Washington (2)	1-0-0	1,304	4
5. Penn St.	2-0-0	1,285	5
6. Florida (1)	1-0-0	1,195	6
7. Notre Dame	1-0-0	1,148	7
8. Clemson	1-0-0	1,027	8
9. Oklahoma	0-0-0	973	9
10. Houston (1)	1-0-0	967	10
11. Tennessee	1-0-0	944	11
12. Colorado	1-0-0	837	12
13. Nebraska	1-0-0	729	14
14. Iowa	1-0-0	715	15
15. Auburn	1-0-0	506	18
16. Alabama	1-0-0	501	20
17. Georgia Tech	0-1-0	467	17
18. Michigan St.	0-0-0	463	19
19. Ohio St.	1-0-0	410	22
20. Texas A&M	0-0-0	345	21
21. UCLA	1-0-0	304	23
22. Syracuse	1-0-0	242	24
23. Baylor	1-0-0	163	—
24. Pittsburgh	2-0-0	146	—
25. Mississippi St.	2-0-0	125	—

Other receiving votes: Texas 112, Georgia 79, North Carolina 69, California 52, Southern Cal 51, Oregon 45, Mississippi 32, N. Carolina St. 27, Illinois 18, Memphis St. 15, Air Force 14, Maryland 9, Brigham Young 8, Kansas 3, Arkansas 1, Louisville 1, Texas Christian 1.

BASEBALL

American League

BOSTON—Recalled Scott Cooper, third baseman, and Jeff Plympton and Dana Kiecker, pitchers, from Pawtucket, International League.

CALIFORNIA—Named Whitey Herzog senior vice president and director of player personnel.

CLEVELAND—Bought contracts of Doug Jones and Eric Bell, pitchers, from Colorado Springs, Pacific Coast League, and Garland Kiser, pitcher, from Canton-Akron, Eastern League. Recalled Reggie Jefferson, first baseman; Mark Lewis, shortstop; and Tom Kramer, pitcher, from Colorado Springs. Put Glenallen Hill, outfielder, on 60-day disabled list. Transferred Sandy Alomar, catcher, from 15- to 60-day disabled list.

MINNESOTA—Recalled Paul Abbott, Willie Banks, and Denny Neagle, pitchers, and Pedro Munoz, outfielder, from Portland, PCL.

NEW YORK—Recalled Mike Humphreys, outfielder, from Columbus, IL.

SOCCER

FRENCH FIRST DIVISION
Marseille 2, Toulouse 0
GERMAN FIRST DIVISION
MSV Duisburg 2, FC Hansa Rostock 0
SPANISH FIRST DIVISION
Gijon 3 Athletic Bilbao 2
Real Madrid 1 Valladolid 0
Logrones 2 Cadiz 1
La Coruna 1 Tenerife 1
Albacete 1 Valencia 0
Burgos 4 Osasuna 0
Mallorca 0 Atletico 2
Espanol 0 Oviedo 1
Real Sociedad 0 Zaragoza 0

U.S. Open

Women's Doubles, Finals

Pam Shriver, U.S., and Natalia Zvereva, Soviet Union (6), def. Jana Novotna, Czechoslovakia, and Larisa Savchenko, Soviet Union (1), 6-4, 4-6, 7-6 (7-5).

Connors Qualifies For Grand Slam

Agence France-Presse

LONDON — Jimmy Connors has qualified for the Grand Slam Cup in Munich in December.

By gaining the semifinals of the U.S. Open, the 39-year-old American finished eighth in the standings based on results at the Australian, French and U.S. Opens and Wimbledon.

These are the 16 qualifiers for the Dec. 10-15 tournament:

1. Boris Becker, Germany; 2. Stefan Edberg, Sweden; 3. Jim Courier, U.S.; 4. Michael Stich, Germany; 5. Ivan Lendl, Czechoslovakia; 6. Andre Agassi, U.S.; 7. Guy Forget, France; 8. Jimmy Connors, U.S.; 9. David Wheaton, U.S.; 10. Patrick McEnroe, U.S.; 11. Jaime Yazaga, Peru; 12. Michael Chang, U.S.; 13. Thierry Champion, France; Paul Haarhuis, Netherlands, and Jakob Hlasek, Switzerland; 16. Goran Prpic, Yugoslavia.

Replacements: 17. Cristiano Caratti, Italy; 18. Aaron Krickstein, U.S.

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ART BUCHWALD

Blame Hurricane Bob

WASHINGTON — The first question people ask after a hurricane is, "If a tree falls in your backyard and it doesn't make a sound, who is responsible for cutting it up?"

Ever since Hurricane Bob hit Martha's Vineyard this question has been debated from one end of the island to the other. I was in Shirley's Hardware Store trying to return batteries that I had been hoarding during the storm when I saw Thompson confront Bigalow. "When are you going to get your bloody oak tree out of my backyard?" he demanded.

Buchwald

Bigalow responded, "It is no longer *my* oak tree. It's your oak tree. As soon as it fell over I stopped worrying about it. Besides, it was leaning on your property for a long time, so it shouldn't have come as a surprise when it blew over."

□

Thompson was yelling, "Don't try to get out of it. The law specifically states that the person who owns a tree is responsible for the violence committed by the tree branches and even its sap. If that tree had hurt anyone when it fell in my yard, you would have gotten 20 years in maximum security."

"That's where you're wrong. If the tree fell on your house I could have collected insurance for it, and so could you. The fact that it hit nothing is why we are arguing. Here's what I'm prepared to do. I'll split the cost of the chop with you. I'll pay for half and you pay for the other half, and we'll divvy up any money we get for firewood."

□

Thompson was fuming. "Why should I pay to get rid of your tree?"

"Because if you don't, it will stay there and really start to smell."

Thompson said, "Do you remember when your cherry tree fell on my rose garden five years ago?"

"Do I?" said Bigalow. "My wife cried over the tree for a week."

"Well, I cut it up and cleared it away at my own expense, and you didn't even say thank you."

"You did it because you had to. Your dogs were always doing things against the tree and they loosened the roots."

"Do you really believe that?"

"Cherry trees don't take a dive for nothing. You're not going to use that tree as an excuse for not cutting up my oak," Bigalow said. "I don't know if you're a religious man or not, Thompson, but when the oak tree keeled over it was an Act of God."

Thompson asked, "How do you know that it was an Act of God?"

Bigalow replied, "Because Prudential says it was. They say that only God can heave over a tree, and they don't pay for what He does when He's mad. Thompson, there is nothing I can do for you. But I know one thing, while you're standing there the trunk *is* filling up with worms and termites, and someday you'll have nobody but yourself to blame if your house falls down."

□

Thompson yelled, "I'm taking you to court, Bigalow."

"It won't do you any good. The judge has enough tree cases to last him until the year 2000. The best thing now is for you to buy a good chain saw from Shirley's, but whatever you do don't use it while I'm taking a nap. I hate the sound of chain saws in the afternoon."

If we hadn't all been there to stop Thompson, he would have strangled Bigalow.

Bigalow said to us, "That oak gave Thompson a lot of shade when it was standing up. He used to tell me what a wonderful tree it was. Now that it is lying on his lawn, he hates it. People sure are fickle when a tree is down and out."

Disney Plans to Update 'Fantasia,' 1940 Classic

Reuters

LONDON — "Fantasia," Walt Disney's 1940 full-length classic combining animated cartoons and classical music, is to be remade for movie theater release in 1997. New cartoons are being designed for it. A home video of the 50-year-old original will go on sale later this year, according to Jeffrey Katzenberg, Disney Studios chairman.

"Fantasia" involved more than 1,000 artists and technicians, and the music was played by the Philadelphia Orchestra under Leopold Stokowski.

Unraveling Bob Marley's Messy Legacy

By Richard Leiby
Washington Post Service

NINE MILES, Jamaica — Diane Jobson isn't like any lawyer you've ever seen. She's barefoot, her feet are callused and dirty, she's smoking a hand-rolled marijuana cigar. Her brown hair is matted into dreadlocks, tucked beneath a black tam. She's a Rasta lawyer.

For many years, Jobson was legal counsel and close friend to Bob Marley, the great reggae musician and proponent of black liberation. Now, in this mountain village 30 miles (48 kilometers) west of Ocho Rios, where Marley was born, she advises his mother, Cedella Marley Booker — who, like everyone connected to the Marley estate, has needed legal advice since the singer died of cancer a decade ago.

Cedella Booker, 65, regal in flowing black robes and yellow headdress, is known in Jamaica as "Mother B." She is matriarch of the sometimes contentious musical family that survived Marley; he had at least 11 children by eight different women. But he left no will, sparking endless claims for his fortune, suits and countersuits. Marley had little tangible property, but his recordings generate $2.5 million a year in royalties.

Mother B and other Marley family members are attempting to reclaim the reggae king's legacy before it is lost completely to legal fees or auctioned to foreign investors. Some heirs are furious that estate administrators and lawyers in Kingston, Miami and New York have reaped $4 million in fees.

The family was delivered a unifying focus for its outrage when lawyers, working on the estate's behalf, sued to take away the house Bob had bought for his mother in Miami. These lawyers were paid up to $250 a hour, while Mother B's grandchildren were getting from $100 to $800 a month as their inheritance.

"He was a simple Rastaman," Mother B says of her son. "Because he was so humble, because we are so humble, they think they can just trample over us."

Certainly Marley was humble — he lived as a devout Rastafarian, communally, eating fruits and vegetables, smoking marijuana, sharing his fortune with thousands in need. He sang sweet songs about love, sun and rain.

But a simple man, hardly: He also sang of uprising and African destiny and political violence, and thus constituted a threat to the Jamaican elite. And he kept so many lovers and side deals going that the list of those who can claim they were "exclusively involved" with Bob, privy to his thoughts, is extensive.

Settlement of the estate has been hopelessly delayed because of feuding, particularly among the women who bore Bob's children. It hasn't helped that Rita Marley, the lawful widow, has admitted to signing backdated documents and forging Bob's signature, leading to a lawsuit charging that $14 million in assets were "fraudulently diverted" when she had control of the estate from 1981 to 1986. Meanwhile, several backup musicians who played in Bob's band, the Wailers, also are suing for a share of the estate.

Robert Nesta Marley was raised by his mother in a one-room stone hut on a hill overlooking lands planted with coffee, citrus, bananas, coconuts. Bob's father, Norville Marley, a white superintendent of British crown lands, abandoned his young, pregnant wife soon after marrying her. She later found work as a maid in Kingston, and Bob spent his youth in that city's violent ghettos, the inspiration for his militant support of the "sufferahs."

Though Marley became a superstar, reportedly worth $30 million when he died at age 36, his memorial here bears no trappings of wealth. Mother B wants to build "more appropriate and more inviting" facilities for visitors — a museum, villas, an entertainment center — but says there's no money available.

Under Jamaican law, Mother B is not entitled to any of Bob's fortune. However, she is a director of the nonprofit Bob Marley Foundation, which might be able to spend estate money once the legal mess is settled.

Mother B also would like to see "a better place for Bob to live in," meaning his tomb.

Eileen Colton

Roger M. Richards/Gamma-Liaison

Bob Marley performing. Right, the chapel sheltering his tomb is next to the house where he grew up.

A whitewashed chapel has been built next to the original hut. Marley's sarcophagus is draped with a tapestry woven in black, red, gold and green, African colors. A CD boombox plays the songs that made Marley a hero in the Third World and a worldwide star: "Rebel Music," "War," "Buffalo Soldier," "No Woman No Cry," "I Shot the Sheriff."

At the moment, Chris Blackwell, the founder of Island Records, a wealthy British Jamaican who signed Marley and the original Wailers to a recording contract in 1972, is able to exercise control over certain copyrights. He formed the Bob Marley Foundation as part of a bid he made for the Marley estate in 1988. A Kingston court approved the sale of the estate to Island for $8.2 million.

Although the estate sale has since been put on hold by various suits, Blackwell says he still controls the assets. Final resolution of who owns what should come in October, when Jamaica's Supreme Court will weigh all new bids for the estate.

In connection with Blackwell, Rita and six adult Marley children are now offering to buy the estate for $15.2 million. They want to ensure that it does not pass to the Japanese-owned MCA, which is bidding slightly more, or to other outsiders.

Key to any sale, though, is sufficient appeasement of the various "baby mothers," as the women who bore Marley's children are sometimes called. These five minor children would get lump-sum payments, held in trust, while adult beneficiaries would get continuing payments. The current Blackwell offer is $1 million to each of the five minors.

But some mothers are balking because the package also would provide Rita with a hefty $3 million up front, and some think Rita actually owes the estate money.

Rita, who once took a bullet in the scalp during a politically motivated assassination attempt against Bob, married Marley in 1966. She bore four of his children, and tolerated his endless philandering.

David "Ziggy" Marley and his siblings, who perform together as the Melody Makers, are adult beneficiaries of the estate. Ziggy has said he doesn't care what becomes of his share of the estate — "Me can go out and make me own money" — but estate lawyers say he has not legally removed himself from any proceedings.

A world away in Miami, on the 20th floor of an office tower overlooking Biscayne Bay, J. Reid Bingham confesses he doesn't have much of an ear for reggae, preferring jazz and classical music. But he knows all about international banking and international corporate law, and is the American administrator of the Bob Marley estate. He knows he is often painted as a villain by the Marley family.

Part of Bingham's fiduciary duties as legal administrator is to make money for the Marley estate. That was related to the efforts to remove Bob's mother from her home in Miami. "She couldn't prove the house belonged to her," Bingham says.

Mother Booker eventually got to keep her house. Chris Blackwell bought it for her.

PEOPLE

Suit by Estate Ties Up Play About Janis Joplin

Susan Ross, a Seattle playwright, says the estate of **Janis Joplin** is trying to squelch competition by stopping her play. "Janis" had an 11-week run before mostly packed houses but closed because of a suit filed by Strong Arm Music, an Arizona-based division of Joplin Enterprises. "It's very frightening," Ross said. "We're not selling barbecue sauce here. Artists shouldn't have to worry that they'll be sued by the family of the person they're writing about because the family supposedly owns the 'memory' of that individual. Janis Joplin is a part of our national heritage."

□

Sir Alec Guinness, one of Britain's greatest actors, received the British Film Institute's highest accolade, the BFI Fellowship, in recognition of his 50-year career. Guinness, 77, has won fame and critical acclaim for his performances on stage and in films, and he later made his mark as a character actor on television. Although Guinness is known for modesty about his abilities, **Sir Richard Attenborough**, the BFI president, said, "I can think of no one who bestrode all three media with greater subtlety, modesty and success."

□

Martina Colombari's father didn't want her to enter the Miss Italy contest because he feared she would win. He was right. The 16-year-old, the youngest of 60 contestants, won the title and was crowned by the French actor **Alain Delon**, one of the judges. "I was afraid she would win and that her studies would suffer," her father, a restaurant owner, **Maurizio Colombari**, told the news agency ANSA.

□

What's in a name change? **Janis Taylor**, a mezzo soprano who until February was Janice Taylor, is about to have the spelling changed legally. Asked why, in New York, she said: "I decided to listen to inner instincts to affirm that I am totally fulfilled in the concert realm doing opera only from time to time. Changing the spelling of my name was part of that declaration of independence, rebirth and confirmation of my determination to follow the road less traveled. This symbolizes the release of old thought patterns and imprisoning limitations." Now you know.

INTERNATIONAL CLASSIFIED

PERSONALS

ERNEST IS IN THE DEAD center of Widnes Lancashire, e read Slow Boat Home and thanked his lucky stars (and stripes) for little girls who speak a little French, change their own light bulbs, enjoy la forza del destino, Armenian meatballs, bicycles and constantly going round the world with a tiger who's got a big bunch of bananas in his left hand. Rest in peace.

ON YER BIKE GEORGE. Abraham hits town tomorrow. There's a banana shortage in Paris. And the Babuschka wants to go to the beauty parlor

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MRS E. WITHINGTON of Southport, Lancashire, England is more than happy to announce the marriage of her daughter **Jean Ann to Prof. George H Hines** of Hong Kong in Paris Sept 23 1991. God bless the Herald Tribune

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